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ABSTRACT

This document contains 27 essays and 5 policy statements regarding creation of a comprehensive and unified federal employment and training policy for youth and adults. The following essays are included: "In Search of the American Way" (Wills); "Rethink the Demand Side" (Smith); "The Federal Government as a Change Agent" (Nathan); "Making Sense of Federal Job Training Policy" (Spring); "Why Consolidation?" (Twomey); "Creating a National Human Resources Development System" (McGuire); "Future Directions for Employment & Training Policy" (Ganzglass); "Let's Build a System, Finally" (Butler); "Reinventing Federal Training Programs" (Carnevale); "Advancing America's Workforce" (Sofranac); "A Stitch in Time...Designing a Seamless Delivery System" (Pines); "A Labor Look at Job Training in 1995" (Roberts); "Youth Perspectives: Voices from the San Francisco Youth Coalition" (Eagleson, Bacher, Quizon); "Job Training Reform, Youth Development & Youth Corps" (Moore); "Approaching a New Era of Job Training" (Stoneman); "Developing Career Centers from the Inside Out" (Dorrer); Changing Our Approach to Federal Job Training Policy" (Strumpf); "Employment & Training" (Packer); "Management and Substance" (Sturomski); "Policy Opportunities for Teens in an Era of Change" (Hahn); "Anecdotes & Public Policy Prisms in Employment & Training" (Taylor); "Ensuring Equity for Young Women in Job Training" (Wurf); "Improving Employment

Options of People with Disabilities" (Bartels); "Investment or Disinvestment?" (Kaplan); "Job Training Reform Must Assure Women Equity, Access and Specialized Direct Services" (Miller); "Vocational Education" (Jennings); and "A Community College Perspective" (Visdos). Also included are the following policy statements/recommendations: "Guiding Principles on Consolidation" (National Association of Counties and National Association of County Training & Employment Professionals); "Guiding Principles for Establishment of a Comprehensive & Consolidated Workforce Preparation & Development System" (U.S. Conference of Mayors); "Main Components of the G.I. Bill for America's Workers" (excerpted from President Clinton's Middle Class Bill of Rights); "Declaration of Intent" (excerpted from H.R. 511 introduced on January 13, 1995 by Representative Buck McKeon); and "Consolidating & Reforming Federal Job Training Programs" (joint statement by Senators Kennedy and Kassenbaum excerpted from Congressional Record, June 9, 1994.) (MN)

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ED 384 728

Making Sense of Federal Employment and Training Policy for Youth and Adults

Volume II

Expert Recommendations to Create A Comprehensive and Unified System

- Kristen Bachler
- Elmer C. Bartels
- Erik Payne Butler
- Anthony P. Carnevale
- John Dorrer
- Glenn Eagleson
- Evelyn Ganzglass
- Andrew B. Hahn
- John F. (Jack) Jennings
- Gary Kaplan
- Susan Grayson McGuire
- Jill Miller
- Andrew Moore
- Richard P. Nathan
- Arnold Packer
- Marion Pines
- Gary Quizon
- Markley Roberts
- Thomas J. Smith
- Rodo Sofranac
- Bill Spring
- Dorothy Stoneman
- Lori J. Strumpf
- Neil Sturomski
- H. Art Taylor
- John Twomey
- Robert J. Visdos
- Joan L. Wills
- Mildred Kiefer Wurf

National Youth Employment Coalition

&

American Youth Policy Forum

in cooperation with

- National Governors' Association
- U.S. Conference of Mayors
- National Association of Counties
- National Association of Private Industry Councils
- Women Work! -- The National Network for Women's Employment
- Opportunities Industrialization Centers of America
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PUBLISHERS' PREFACE

Alan Zuckerman, Executive Director, National Youth Employment Coalition
Samuel Halperin, Co-Director, American Youth Policy Forum

BACKGROUND ON VOLUME II

As the bipartisan calls for major reform of federal employment training programs echoed in the halls of Congress in October 1994, it was evident that there is serious interest in taking action on this issue. At that time, the National Youth Employment Coalition and the American Youth Policy Forum decided to develop an updated Volume II of *Making Sense of Federal Job Training Policy* to help inform thoughtful policy debate on this issue of crucial importance to the economy, to employers and to our workforce. We invited a broad array of practitioners and other experts to write essays on reform and consolidation.

FRAMING THE PROBLEM

The changing economy has depressed wages and increased unemployment. When the Humphrey-Hawkins Bill was passed in 1978, full employment was defined as reducing unemployment to 4 percent. In 1995, the Federal Reserve Bank is increasing interest rates to combat inflation when unemployment goes below 6 percent.

Urban centers offer jobs at the poles of the economic scale, low-wage service jobs and high-wage jobs in the information economy. High wages for the educated elite and low wages for the less academically accomplished. Low wages coupled with unemployment rates of 50 to 80 percent in inner cities send a message to low income young people that the American dream of a job, a home and a family is a dream denied by reality The growing gap between rich and poor, good jobs and bad jobs is a root cause of urban violence and decay.

The 27 essays compiled here in Volume II of *Making Sense* are evidence that, while there is broad agreement that reducing the number of programs would be good, there is not yet a consensus for the best way to reorganize or systemize employment and training programs.

These essays raise many crucial questions, such as:

1. How do we hold the system/ providers/ participants accountable? What are appropriate standards?
2. What are the most effective roles of federal, state & local government?
3. What are the appropriate functions for community-based organizations?
4. How do we convert the existing system into one or more block grants?
5. How can we create a system that provides employers with skilled productive workers?
6. Can we serve all of the unique human needs (young women and dislocated homemakers, rural poor, dropouts, urban black males, people with disabilities, illiterates, youth, older Americans, welfare recipients, non-English speaking, and others) within a single "comprehensive" system?
7. Can we reconcile labor market demand, human needs, and economic forces?
8. What is the best approach for bringing dislocated workers back into the workforce ?

The remedies proposed by our authors include:

1. Re-engineering the delivery system.
2. Empowering clients with choice and information.
3. Developing a fully-functioning labor exchange.
4. Establishing one-stop points of service.
5. Connecting workforce development to economic development.
6. Creating an effective system of accountability and high standards of performance.
7. Developing industry-based training.
8. Building a system on a foundation of effective programs.
9. Assuring equity of access and treatment for those most in need.
10. Building real employer connections.
11. Building institutional support systems to assure competence and effectiveness capacity at all levels.
12. Improving the system by training teachers, improving curricula and utilizing technology.
13. Minimizing rules and regulations that limit performance.
14. Preparing first-time workers for jobs and careers.

The papers include passionate testimony from advocates and service providers arguing the importance of serving people who are excluded, poorly served in the mainstream, or forgotten altogether. There are also arguments for recognition of the unique contribution of specific programmatic approaches. The special pleadings remind us that the 154 programs identified by GAO were created in response to evidence that people with compelling needs are not served well by existing programs.

Some essays reflect practitioners' frustrations and suspicions that services will be denied to those vulnerable populations whom they are dedicated to serving. Some participants also distrust the system: members of the San Francisco Youth Employment Coalition met with a group of teenagers in youth employment programs who felt these programs would be more effective if adults designing the programs listened more to young people about youth employment and developmental needs.

NYEC RECOMMENDATIONS ON IMPROVING YOUTH EMPLOYMENT

In the recent NYEC report, "Toward a National Youth Development System," NYEC advocates incorporating "youth development in youth employment programs." This approach would integrate training, employment, education, health, welfare, attitudes, values, and all other necessary physical, social and emotional aspects of a young person's development into a single system. We should build on what works and be willing to discard what doesn't, learn from best practices, and listen to the voices of experience in our field. This requires thinking about youth training within a broader youth development context and extending the dialogue beyond the usual cadre of experts in job training and employment programs.

Overall, NYEC urges policymakers to build a broad, national youth development system that (1) integrates youth employment as part of youth development, and (2) views youth employment as a benchmark of success along the way—not as an end on itself.

The essential elements of a youth development/youth employment system are:

a. a multi-year investment;

b. a continuum of age and stage-appropriate services;

c. connections to caring adults;

d. individually-tailored services;

e. employability as the long-range goal;

f. multiple jobs and developmental experiences;

g. consistent community supports.

The Findings of the NYEC Report are:

FINDING 1: Quick Fixes are ineffective. Modest evaluation results, most recently the MDRC-Apt study, are no surprise.

We need a coherent system of long-term development services linked to employment preparation and jobs which:

a. treats youth as youth

b. regards employment as a part of development for all youth

c. connects work and learning

d. provides opportunities for further learning for all youth

e. treats employers as partners, not consumers

FINDING 2: Current quality assurance mechanisms in existing systems are inadequate.

We need high standards, coupled with long-term outcome measures that include:

a. Common definitions

b. Individual plans with outcome measures, long-term

c. Interim benchmarks

d. Long-term follow up and outcome measures. (e.g. SCANS competencies, labor force attachment, career advancement, certificates of mastery)

e. Youth and employer satisfaction surveys

f. Full disclosure of performance

FINDING 3: Fragmented governance hampers success.

We need a system:

a. built from the community level, up to local, state and federal levels

b. incorporating non-government support organizations

c. with a recognized role for community-based organizations

FINDING 4: There are islands of excellence in a sea of mediocrity.

We need more islands, and:

a. bridges to connect them

b. processes for identifying and documenting best practice

c. thoughtful replication

d. purposeful experimentation, with patience

e. cross-fertilization with other fields

f. professional capacity-building

g. institutional capacity-building at neighborhood/community levels

FINDING 5: Administrivia makes it worse. We need a seamless, simplified MIS system:

a. with common definitions

b. that is accessible and portable

c. with direct connections to eligibility, intake, case management, services, placement, and follow-up

d. that is accessible to clients

e. with referral and tracking to support services

There is a growing consensus that our nation needs a bold new approach to youth employment and training. Tinkering at the margins will not fix what's wrong with our current system. We need youth policies, processes and strategies that are developmental, longterm and coherent. We need a national system built on community input, active employer involvement, and city, county, state, federal and national leadership.

This report was edited by Kristina M. Moore, Alan Zuckerman and Samuel Halperin.

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IN SEARCH OF THE AMERICAN WAY

Joan Wills, Director, Center for Workforce Development
Institute for Educational Leadership

SECTION ONE: POLICY

LESSONS FROM THE PAST

The past decade has been a period in which U.S. workforce preparation policy makers have been engaged in a substantial amount of collective soul searching in an effort to find more cost efficient and effective ways to organize and manage our governmental services. A part of this search flows from the experiences of the private sector which has found it is essential to offer services and products tailored to meet the needs of the individual customers. The public is expecting government to follow in these footsteps.

During this period there has been a steady drumbeat of distress from the employing community that new entrants and many current workers are ill equipped for the "new workplace." Policy makers within federal and state governments and the foundation communities have attempted to respond to this drumbeat of distress by promoting a range of pilot projects and knowledge development activities. We have learned a great deal from this period which can help guide the next generation of workforce preparation programs.

Some of the key lessons from the past which should be used to help guide the future include:

(1) for young people short-term interventions are insufficient — multi-year investments that begin early and are age and stage appropriate are essential and adult mentors are indispensable;

(2) most individuals learn better through active applied learning situations (for example, it is often the case academic learning has double the impact when it is is job related);

(3) the quality of curriculum and the form of instruction can be more efficient and effective if computer assisted technologies are used (and through use of distant learning technologies equal access is promoted);

(4) career preparation programs need to be organized as staged programs of study based upon required knowledge of the workplace which ignore the institutional boundaries where learning takes place;

(5) both youth and adults can meet high expectations (standards) if the learning environment promotes self-respect and responsibility;

(6) the knowledge and skills of the instructors and other service staff is a key variable in the quality of programs;

(7) a program for every problem will not promote positive youth and adult learning;

(8) quality information is essential for customers of workforce preparation services to make prudent choices. Yet, our government education and labor market information services is a patchwork of incomplete and disjointed data with marginal utility;

(9) the past mechanisms to involve the employer community in the wide array of workforce preparation programs have placed an undue emphasis on corporate social responsibility activities and insufficient attention on the central importance of learning within the workplace and assisting in the development of programs of study based on skill standards; and,

(10) the current intergovernmental planning, resource allocation processes, management information systems, case management procedures, performance measures, and institutional incentives utilized in most government supported programs are woefully inadequate and contribute substantially to the fragmented non-system of workforce preparation throughout the country.

Each of these lessons are "fixable." The question is how?

NEED NATIONAL FRAMEWORK & INTERNATIONAL COMPARISONS

As redesign of the current workforce preparation programs are established it would be inappropriate to select one of these lessons, i.e. the intergovernmental grant-in-aid processes, as the overriding point of attention and intervention. **A national framework with a fiscal and technical support system is an imperative for several reasons:**

(1) it is the responsibility for the federal government to provide for a redistribution of resources between the haves and have nots;

(2) the central government needs to be able to respond to regionalized dislocations and/or federal trade and/immigration policies;

(3) the mobility of workforce;

(4) the globalization of the economy;

(5) the cost-effectiveness of providing centralized support for functions discussed later in this paper; and,

(6) development and promotion of employer based support systems.

A national framework with a fiscal & technical support system is imperative.

The search for a more coherent workforce development framework has led many policy makers in other countries to benchmark our practices against those of our economic competitors. **While each country has its own unique set of processes and programs to prepare the workforce there are some common features which they have which are missing in this country.** Our economic competitors have national systems (which include roles for sub-national units of government in recognition of regional variations) which engage all of the stakeholders —industry, unions, education and training institutions, etc. — in the process of articulating skill requirements of the workplace, awarding of credentials to individuals and articulating occupation focused curriculums. In many of these countries there are formal processes and agreements with industry to share the governance and management of the schooling process for occupation specific training. In other words, they have focused their attention on core functions of a workforce preparation system —

assisting individuals to gain the necessary knowledge and skills essential to be productive members of the workforce. America must do the same.

What does it mean to think "nationally?" In order for America to achieve this essential focus we must think nationally. The federal government is merely one part of the equation. The term national evokes the concept of voluntary actions taken by a number of different communities of interest (state government, education policy making bodies, professional organizations, community based organizations, the research community, the business community, unions, and the various branches of the federal government) — all working to create structures and systems that are mutually reinforcing and focused on commonly agreed upon goals.

We lack goals, benchmarks of quality, and the means to measure outcomes. The national education goals provides a beginning but the purpose of the education goals was not to focus on the issue of a workforce preparation system. More work needs to be done. One approach to address this task may be to have Congress and the Executive Branch to work in concert with the key business and industry organizations in concert with governors as well as other stakeholders to take on the task of developing goals, indicators of quality et.al. Perhaps this could be done with staff support of the National Commission on Employment Policy. **We will never have a first class workforce development system without taking this crucial step.**

Obviously, work must continue as goals are being developed. Grant consolidations and realignment of primary functions of different levels of government should occur based upon some guiding principles, such as:

• Any strategies for improvement or any recommendation to change the governance structure should support the unit of government that best can promote equity, efficiency, and effectiveness and also is nearest the student/worker. Support for the unit nearest the student by no means precludes and, indeed, often requires support and actions far away from the student/worker.

• The state level of government should be given the full responsibility for organizing the sub-state delivery system. For too long the federal government has ignored the constitutional responsibility of the states to define the powers of local units of government, including education, and this has led to much of fragmentation of the workforce development system in the country.

• The essential role of government should be to see what needs to be done, to insure that it is done. Government must facilitate the processes not presume they should operate all of the programs. The traditional "bureaucratic" model of providing public services where the public officials (not always elected officials), act as members of the board of directors, as administrative managers operating an enterprise a monopoly seller of services to-themselves as a monopoly buyer needs to change. In this monopoly model there is little incentive to improve performance, manage cost, or effectively respond to the needs of the marketplace.

• Key quality assurance processes (i.e. the awarding of credentials for both individuals and programs) should be based upon standards which are jointly developed and utilized by all the stakeholders involved in the workforce development system.

DISTINCT ROLES FOR VARIOUS LEVELS OF GOVERNMENT

Using these core principles it is possible to recommend distinct roles for the various levels of government. **The federal government should:**
(1) take the lead in supporting research and evaluation and knowledge development through demonstrations; organizing and providing for an information system including the tracking of progress of national goals;
(2) promoting the involvement of employer community to ensure that work-based learning is inculcated into the workforce development system of this country (a critical weak link an one where our competitors have outstripped us by a wide margin);
(3) promoting the development of a national voluntary skill standards system in order to keep the focus on knowledge and skills required in the workplace;
(4) promoting the development of programs of study and new forms of assessment organized around broad bands of occupational clusters derived from the skill standards;
(5) supporting professional development for a wide range of service providers using national network groups, professional and trade associations;
(6) sponsoring the creation of a national voluntary "recognition/accreditation" process for occupational preparation programs in order to infuse quality assurance into the system; and,
(7) supporting the expansion and use of technologies in programs. The federal government should not dictate which institutions should provide any service — this task should be left to state and sub-state entities.

We lack goals, benchmarks of quality, and the means to measure outcomes.

The states should focus on:
(1) establishing goals for the workforce development delivery system based upon identified state's economic and human resource growth and development goals;
(2) developing, in concert with the state's employer community, programs of study which will foster the "recognition of learning" across institutional boundaries;
(3) promoting sub-state regional networks of governance jurisdictions for the purposes of common planning, contracting and sharing of resources (this implies the state/local relationships would be between policy making bodies — administrators of institutions;
(4) establishing benchmarks of service needs based upon an assessment of the state's population workforce development requirements;
(5) allocating resources based upon those benchmarks;
(6) promoting the professional development of all service providers;
(7) establishing an institutional accountability system based on the goals and benchmarks;
(8) tracking the progress of institutions and individuals for purposes of promoting continuous improvement in government services using the national and state goals as the metrics to measure advancement; and
(9) tailoring the information and technology services to the needs of the state.

Within the sub-state regional and local levels, where actual services are

delivered, the state recognized governance body should be responsible for establishing a state approved competitive multi-year bidding process for a range of services. Experience strongly suggests the need to ensure neutral organization(s) exist to: (1) provide individuals and employers easy access to information regarding the labor market supply and demand information and source and cost of education and training; (2) employer driven brokering organizations which promote work-based learning opportunities and services across all significant industry sectors; (3) individual case management processes and resource allocation to "follow the individual" across institutional boundaries; and, investments in the institutional infrastructure (including non-profit organizations) are organized to assure economic and human development goals are supported.

Clearly, there are myriads of details (and the devil is in the details) not addressed in this proposed framework for our intergovernmental workforce development system. New ways of ensuring the needs of the most at-risk populations would need to be found. For example the federal government could insist that a state develop formulas to support increased funding of areas with high percentages at-risk populations. New forms of incentives and rewards for collaboration among institutions will need to be devised. Most certainly there is a need to recognize that a substantial amount of time is needed to make all the pieces of this complex puzzle come together. A phase in period of least three to five years is warranted.

This proposed national framework presents a radical departure from the current way of doing business, yet it builds upon the unique American way of finding workable solutions. It is meant to focus on the needs of individuals, the needs of the various stakeholders in the marketplace, the strong traditions of using voluntary networks in this country and the respect of the constitutional powers of different levels of government.

RETHINK THE DEMAND SIDE

Thomas J. Smith, Vice President for Special Projects
Public-Private Ventures

'CONSOLIDATION' ALONE IS INADEQUATE

The touchstone word in the coming debate about federal employment training policy will be "consolidation." That's plausible as an attempt to address one of the long-standing, widely acknowledged problems in the field—the bewildering fragmentation among funding streams, intentions, programs, rules and agencies that purportedly have something to do with employment, education, and workplace skills.

Doing something about that mess is surely desirable. But it's far from an adequate response, for in reality our problems start in a different place, indeed, stem from the early history of employment policy in the U.S.

In the early '60s, we decided that the most cogent response to our labor problems was to focus on the "supply" side. That, it seemed, is where the major deficiencies lay. In an economy with abundant and varied job opportunities, we nonetheless had workers without the skills or connections to find or fill them.

By improving the skills of employees—the supply-side strategy—we would fix the problem where it lay, and smooth the connection between jobs and workers. That strategy, which dictated training, remediation, pre-employment regimens, labor market information and skill-building, became the staple of our thinking; and seemed all the more right because it fit tidily in among existing efforts—vocational education and the Job Service, in particular. Prepare the workers, inform the workers, and the market would work efficiently, it was argued.

Now, some 30 years later, we face a far more complex set of problems. The labor market has changed dramatically. Static "skills" are an obsolete commodity in an era of "continuous learning" and the Learning Organization. An entire stratum of critical jobs in the manufacturing sector, which required minimal skills but paid a decent living wage, has contracted sharply. In its wake is a huge sector of low skill, low wage, low future jobs, available (and unattractive) to many; and, at some distance from those, a tiny pool of "cognitive elite" jobs, attainable only by a select few. Meanwhile, large changes in the labor market, which seem likely to further stratify skill levels and incomes, proceed apace.

And they proceed as the performance of our educational system increasingly comes under criticism, at precisely a time when its role as the primary shaper of potential workers never has been more critical—or, it seems, more poorly fulfilled. Thirty years ago it was safe to presume that most young people would arrive at the gates of the workplace prepared and able to work. No such blanket presumption is warranted today. The performance of schools, particularly in this era of high skills demand, remains a troublesome question mark.

Simply training and preparing the workforce, however critical, isn't going to succeed unless we look hard at the demand side.

What is equally troubling for young people is the poor track record of the second-chance programs focused on employment training—a major tool of our prevailing supply-side strategy. Quite simply, these programs don't work beyond the short term. Indeed, recent evaluation

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findings regarding JTPA-funded youth programs paint a depressing picture of programs that fail in their mission to connect disadvantaged—predominantly urban, minority—young people to the labor market.

So it seems fair to ask: why stress consolidation—at least why do that before we've thought more critically about the underlying policy assumptions on which so many of the programs and funding sources we seek to consolidate are based? Particularly when public funds are scarce, we should concern ourselves first with deciding which basic things it makes sense to do, and only then with trying to do them in a streamlined way.

INCORPORATING A 'DEMAND-SIDE' STRATEGY

My own perspective is this: we need urgently to develop policies that stress the "demand side" of the equation. Simply training and preparing the workforce, however critical, isn't going to succeed unless we look hard at the demand side—at the businesses, employers, workplaces and jobs that will (or won't) hire the workers, young and old, whose prospects we're seeking to better.

My suggestion goes against the grain of much policy thinking in this country, which has taken the "employer side" response as a given, and viewed any steps that look like intrusion into the business sector as anathema. Particularly in light of the recent election, which many interpret as a mandate for more limited government involvement, calling for an expanded policy push involving the business sector might seem unsound.

In fact it's not. Our experience to date should make clear that worker preparation alone is inadequate policy. Indeed much recent thinking, particularly the current push for European style "school to work" and apprenticeship approaches, will call for marked changes in the relationships we have with the private sector. If the timing is right for a broad reexamination of federal employment policy, then we should add this crucial emphasis.

Three specific suggestions illustrate how the "demand" side strategy can be useful—and implementable in ways that support most everyone's sense of how we can make employment and training policy work better.

1. Retool the "Labor Exchange." In the late '70s, the Job Service experimented with the idea of "Account Executives," labor market specialists who focused on a small number of client firms in related sectors, stayed current with their needs and with the changes in their workforces, and helped screen and recruit workers for them.

That approach made sense, and I think it could be reinstituted, with some adjustments. First, these "account execs" should be a two-way information source, providing firms with workers, and the outside world—especially schools and training organizations—with information about requirements, practices and trends in these industries. Second, a special connection might be made between account execs and local schools (at one point in the not-so-distant past, the Job Service detailed employment counselors to high schools—again a plausible practice we might revisit), for they need to become far more aware and responsive to the requirements of their major clients. Such an activist posture would make the Job Service, now mostly a passive repository of (often obsolete) information, a far more valuable and integral part of policy, and make labor market information and exchange the dynamic process it needs to be in our rapidly evolving economy.

2. Develop and support programs with real employer connections. Programs such as the Center for Employment Training in California, and Suburban Job Link in Chicago, succeed in great part because they have powerful links to the demand side. CET has an active, organic link to its employer community; it starts out as much with the job as with the worker. Suburban Job Link, as the name suggests, is about hooking people up (through transportation) to real jobs in suburban communities. Again, it begins on the demand side, rather than the other way around.

These represent the kind of initiatives we're going to need in the '90s: they're plugged in to labor demand and thus sensitive and responsive to its dynamics and changing needs. Both these programs, too, reflect a switch on our routine thinking. They don't use "Train, then employ," as a precept; they reverse the process, get the worker into the job quickly, and then provide support and training as an extension of the work setting.

These programs aren't easy to develop. They require time to develop trust and linkages with employers; sensitivity and entrepreneurial thinking; and a capacity to change quickly as circumstances do. So "growing" such programs is a complex exercise, but one that has real long-term promise.

3. Make vocational education a competitive enterprise. One of the largest pieces of current "supply-side" training—the nation's secondary vocational education system—is largely the province of the public sector. Current thinking about "school-to-work" and apprenticeship suggest strongly that we should rethink that arrangement.

A case in point: The Careers Through Culinary Arts Program (which is now slowly branching out to other cities) is a privately-funded program that teaches young people entry-level skills to become sous-chefs. Presumably the public schools could do the same thing—yet they don't. The Culinary Academy exists because there's demand for the kind of people it produces. Our public schools, for the most part, simply lack the entrepreneurial capacity, and are typically too bound up in bureaucratic and accountability issues, to respond in the way the "demand side" requires.

A controlled process of permitting private firms to offer fully job-connected training in a limited way, and to have such efforts compete with traditional vocational education, will probably do as much to promote "systems reform" as any ten reports on the subject. To critics who worry that such efforts might wastefully support the private sector, it's fair to ask: how well are we doing now?

There's another demand-side strategy: publicly-funded work experience. That may sound like a totally-off-the-deep-end idea in the current political climate. But, surprisingly enough, it has currency among many Republicans under the heading "community service jobs" when touted as a component of welfare reform. So, while we're about it, we might just as well look more broadly at the issue, and think how work experience can be more fully used as an effective tool of federal employment policy.

We've much history of how public service jobs can be misused. Let's learn from it. But there's also evidence that we can organize work experience on a large scale with a minimum of waste—when the objectives are clear, and the political will is there. We ought to put the issue on the table because, sooner or later, we'll need to think about how we can use it effectively.

None of these suggestions is a panacea. And none are simple. They're worthwhile because they exemplify how we can broaden our policy thinking usefully—by adding in the demand side of the labor market equation—and also represent real-world ways of putting policies into practice.

THE FEDERAL GOVERNMENT AS A CHANGE AGENT

Richard P. Nathan, Provost, Rockefeller College of Public Affairs & Policy
University at Albany

There is wide agreement that the nation's job training systems are not doing a good job of preparing workers for jobs in the global economy. The federal government does not have a training system, although according to a series of reports issued by the General Accounting Office, it spends $25 billion a year on 154 separate job training programs in different cabinet departments. A recent 1994 report by a Committee of the National Research Council of the National Academy of Sciences (NRC/NAS) on Postsecondary Training for the Workplace, called *Preparing for the Workplace, Charting a Course for Federal Postsecondary Training Policy*, stresses that the federal government is not the primary sponsor of work force training programs in the United States. State governments have the lead role among governments in education and training for the workplace. Local governments, private profit-making schools, nonprofit community-based groups, and private businesses also are major actors. The best role for the federal government to play in shaping national job training policy is as a change-agent in order to focus attention on linking the various pieces and partners in education and training in order to provide coherent and high-quality training systems for the nation's workforce.

NEW MECHANISM NEEDED

The NRC/NAS report suggests that the federal government establish an Office of Work Force Development with high visibility and significant powers modeled after the National Science Foundation (NSF). Like NSF, the office would be independent, not located in the Executive Office of the President. The director of the office would have a fixed term and be subject to Senate confirmation. The office would be governed by a policy-making board, the equivalent of NSF's National Science Board. Board members would be appointed by the President and subject to Senate confirmation. The office would act as a change-agent for systemic reform of the nation's training systems. It would not administer programs, but would (1) support systems' building activities, (2) help create a framework within which voluntary national skills standards can be developed, (3) support research and development, and (4) monitor and report on the nation's progress toward developing a high quality training system. The office would also make capacity-building grants to states, providing the start-up resources needed to create coherent training programs. It would promote the rationalization of federal program requirements and be authorized to grant waivers of program rules inhibiting states which have a commitment to developing integrated workforce development systems.

The NRC/NAS approach seeks to provide a level of political insulation so people knowledgeable in the field of education and training can "pick winners" among the states and some major localities for institutional change. This would be done by involving important nonfederal constituencies (state and local officials, employers, training providers, and leading scholars on workforce development issues) in the activities of the office, including the office's governing board and its skills standards oversight board, and also the use of peer review processes to advise on the approval of grant applications and waiver requests.

STATES ARE KEY

Significant improvement in national training activities requires improving the quality and coherence of the states' role, and convincing employers of the importance of improving the skills of their employees. The federal government has an important part to play in spurring these changes, but its efforts will be most effective if it recognizes and encourages significant developments at the state level.

States are the key actors for several reasons. They are better positioned to develop the infrastructure of a coherent training system because much of training is in their hands. States and their local and regional sub-units are responsible for public schools and colleges and are major partners in federal training programs, such as JOBS and JTPA. States also have greater ties to employers because of their more direct concerns about economic development that enable them to more effectively bring employers and training providers together in mutually beneficial ways.

A number of lead states are already moving to build cohesive workforce development systems. At least ten states have created human resource investment councils to plan and coordinate state training strategies. Indiana, for example, has combined employment and training activities formerly operated by three executive agencies into a new Department of Workforce Development. New Jersey has consolidated over 60 programs operated by six departments into 15 program areas in three departments. Massachusetts has reorganized its state jobs council and created regional economic boards to develop state and local workforce development plans. Michigan has created the

The NRC/NAS report suggests that the federal government establish an Office of Work Force Development with high visibility and significant powers modeled after the National Science Foundation (NSF).

Michigan Jobs Team, bringing its workforce development and economic development initiatives under one umbrella, to address supply and demand issues in a simultaneous and coordinated fashion. In a number of states, local schools and employers are working together to improve the school-to-work transition by developing youth apprenticeship programs, creating career academies (high schools focusing on particular occupational areas), and establishing tech-prep courses that integrate the last two years of high school with the first two years of college. Many states are developing performance standards and other measures to help them evaluate training programs more effectively.

These state and local initiatives are encouraging. Federal government leadership is needed to sustain and encourage these efforts towards systemic approaches to high quality training. The federal government can articulate the goals of the nation for coherent and improved training systems. Its mission in this field should be to give visibility to the needs of workers who don't receive baccalaureate degrees, to encourage systemic reforms, to evaluate the various efforts under way around the country, and to push for the development of skills standards that are recognized by employers nationwide.

IMPROVING FEDERAL PROGRAMS

The federal government, at the same time, must bring coherence to its own uncoordinated training programs, to consolidate some of them and to make sure they work as well as possible, both individually and collectively. In addition, federal policy makers need to remove the barriers to program integration at the state and local levels, such as conflicting definitions under federal programs, different procedures for determining program eligibility, and incompatible administrative, planning and fiscal requirements.

The Clinton administration deserves credit for its leadership and willingness to cross long-standing bureaucratic boundaries to get traditionally turf-conscious agencies working together. The Congress responded by enacting the School-to-Work Opportunities Act and the Goals 2000: Educate America Act. Nevertheless, a more definite and permanent arrangement is needed to have the federal government develop and encourage broad, systemic approaches to workforce development policy.

Given current budget realities, it would be extraordinarily difficult to develop a new comprehensive federal job training program. Rather, in the spirit of government inventiveness, federal policymakers should emphasize and encourage experimentation, evaluation, support for promising initiatives by the states, and continuous improvement toward a training system that will serve the various needs of our nation's workforce.

MAJOR FEDERAL FUNCTIONS

In whatever form it takes, the NRC/NAS report found six major functions through which the federal government could encourage the building of a world-class training system:

(1) Making grants, primarily to states, to help them encourage public and private capacity to act in system-like ways;

(2) Rationalizing conflicting federal requirements;

(3) Granting waivers upon application from states desiring relief from federal rules to carry out systemic reforms;

(4) Creating the framework for the development of national skills standards;

(5) Conducting research and fostering the development of integrated information systems; and

A number of states are already moving to build cohesive workforce development systems.

(6) Reporting annually on the state of the American workforce.

By taking on these functions the federal government could serve as a major catalyst in the development of world-class national training systems.

The establishment of an Office of Work Force Development, using the National Science Foundation as a model, along lines mentioned above, has many advantages. Its theme is that we need to learn about and test new ideas, to be selective, and to have the necessary political insulation for the people performing this role so they can pick and choose worthy programs on a basis that emphasizes innovation and recognizes the differences among the states -- their approach, capacity, structure, and program culture -- in the field of education and training for the workplace.

MAKING SENSE OF FEDERAL JOB TRAINING POLICY

Bill Spring, Vice President for Public & Community Affairs
Federal Reserve Bank of Boston

The futile attempts, going back to 1973 and the passage of CETA, the Comprehensive Employment and Training Act, to build an effective Education and Employment system only out of federal programs are at last over. State expenditures for community-colleges, state and local support for high schools and vocational-technical schools and regional communities of employers need all be linked in an effective, accountable system.

For youth, there has been a consensus going back to the Youth Act of 1980, finally embodied in the School to Work Opportunities Act, that long-term education and employment opportunities need to be combined with supportive services for young people in the greatest need. The evaluation of the Quantum Opportunities Program by Andy Hahn and his colleagues at Brandeis University, demonstrate what common sense had pointed to since the late 70s: sustained access to educational and job opportunities at scale (an entire high school, an entire school system) requires a degree of collaboration that no command and control federal system can manage. Therefore, the incentives to collaboration among school systems, employers, community organizations and elected officials envisioned in the School to Work Opportunities Act are essential. Career or Job Service brokers to link young people and jobs are essential. However, as yet we lack a reliable stream of resources, to finance such brokers, I would urge federal dollars to communities where private sector payrolls would double the cost of brokers' salaries.

In a phrase: we need a youth system where federal resources are the catalyst for accountable collaboration among private and public sectors at the labor market level. The urgency of need is absolute, as the disintegration of hope for inner-city youth makes this unavoidably clear.

For adults, already beyond secondary school age and, for better or worse, participants in the job market, the next steps are a little different: we need to make the market work much better so that employment is distributed more fairly and learning becomes a lifelong reality for all participants.

Again, such a system cannot be federal alone. In Massachusetts, we can document some $700 million in postsecondary 'training' dollars (including Pell grants and GSLs for two years of learning or less) but only $70 million from JTPA. Federal resources, as with youth, need to be used as 'catalytic' resources, but in this case to build a 'market' system, not an extension of learning into the workplace for secondary school students.

The market for stocks and bonds 'requires' an SEC to make sure information is accurate and an army of brokers to customize that information for consumers. Calculating the risk and return from alternative investments requires detailed knowledge of past performance of particular instruments.

In the market for employment and education, similar performance information is essential and does not now exist. We need the following elements:

• **A Placement Accountability System (PAS),** such as we are attempting to build in Massachusetts, in which every provider of education or training that accepts public funds would provide the Social Security numbers of each enrollee and graduate to be matched with the Social Security numbers of new hires by private firms, as reported quarterly through the Unemployment Compensation System. Then customers would know whether or not training institutions and courses were leading to jobs. As with the stock market, there would be no guarantees, but there would be information upon which to base judgement.

• **Brokers.** Every other advanced industrial nation has a very strong Job Service. And we do, too, for those whose employers can pay staff fees for help in finding specialized professionals and technicians. But for most wage earners, without union protection, there is no effective brokerage service. The U.S. Employment Service in most states has been cut back to vestigial status. Perhaps brokerage can be organized by labor market, or even by competing services, as happens in the market for professionals. But an adequate supply of brokers are essential if we are to provide customers with links between employers and training institutions.

• **Industry-based training efforts.** Professor Michael Porter urges the development of a common training agenda among firms in 'clusters' of industries. The Potomac Institute urges grants to governors to support networks of county agents to organize the training needs of small firms. Consortia of business to work with the schools are a success in Boston and Louisville (and in Louisville, the consortium develops explicit training needs for adults as well). We cannot overcome the isolation of small firms without an organizational effort to aggregate their individual training needs into effective demand.

Career or Job Service 'brokers' to link young people and jobs are essential.

Having worked on the Commission on the Skills of the American Workforce, I believe that the Kennedy-Hatfield legislation of 1992 represents the model we need to follow. The School to Work Opportunities Act incorporates the Skills Commission's recommendations for youth. We need new federal legislation that would use current JTPA adult resources in a catalytic way to establish the Regional Employment Boards, market information and accountability and brokerage necessary to organize opportunity for adults.

WHY CONSOLIDATION?

John Twomey, Executive Director
New York Association of Training and Employment Professionals

Who can argue that the current fragmented maze of job training programs should not be consolidated? Senator Nancy Kassebaum addressed the heart of the matter when she noted that the current workforce preparation design is a system with 6 different standards for defining income eligibility levels, 5 for defining family or household, and 5 for defining what is included in income.

At the local operating level, training and employment professionals toil to make this non-system appear cohesive to those seeking its services. This is an impossible task. Job seekers often don't know how to access the various programs, or evaluate which ones would really work best for their needs. Businesses can't figure out how to effectively reach the pool of newly-trained workers. And taxpayers have no way to judge the value, or in some cases the lack of value, of their investment in the many federally-funded workforce preparation programs. Finally, overlap and duplication waste resources, both financial and human, that would be much better spent providing improved services to more people.

REQUIRED ELEMENTS OF THE NEW SYSTEM

What are the required elements of a new and improved job training system ?

The new system must be streamlined and consolidated on all levels, federal, state, and local. There have to be real performance standards for all programs and activities with rewards for success and real consequences for failure. Lastly, there is no good reason, given the technology that exists today, why we do not have a unified management information system (MIS) capable of showing what value was added in any interaction between elements of the workforce preparation system and either the job seeker or a business.

The first required element should be common eligibility for programs. Training and employment professionals know that this is the most formidable barrier to an integrated system. The amount of time and money wasted on checking, collecting, exchanging eligibility data is staggering. There is only one magic wand capable of fixing the eligibility mess, and it is held by the Congress. Each existing federal job training program has its own discrete eligibility criteria. These cannot be waived by governors of states or local operators.

Common definitions must be adopted in order to allow local systems to talk to each other. 'Employable' in the job training world means able to obtain and keep a job, while in the social services sphere 'employable' means no barriers that would bar a person from having to seek work. Just what constitutes 'entry into employment?' In the JTPA arena it means a minimum of 20 hours a week in unsubsidized employment; many other programs do not have any minimum requirement. Only in JTPA programs is retention on the job after training a performance standard. Astonishingly, some existing federal programs count as a successful job placement employment that only lasts one day!

This is only the tip of the accountability issue. The taxpayers have a right to know that public funds expended on training and placing our citizens into jobs are an effective investment. Accountability through performance standards should be included in every single workforce initiative. While JTPA programs have to meet or exceed their performance standards or face mandatory reorganization, many other workforce preparation programs have successfully resisted such efforts. The Employment Service, programs under the Carl Perkins Vocational Educational Applied Technology Act, and the welfare JOBS program have opposed the imposition of performance standards for years. While valid objections to proposed methodologies certainly entered into the debate, the taxpayer will no longer support spending federal dollars not tied to performance.

In its legislation to consolidate job training efforts, the Congress should also insist on Return On Investment [ROI] studies for each type of workforce preparation program. The Congressional intent would have to be specifically spelled out. In the 1982 enactment of JTPA, Congress called for ROI studies to be conducted. Unfortunately, no uniform guidance ever followed. As a result, 631 Service Delivery Areas that developed ROI studies did so in isolation, on an individual basis, so that it is impossible to compare the results across the country. This is particularly unfortunate, since the 40 ROI evaluations I have seen for JTPA show a return to the taxpayer of about $2.75 for every $1.00 spent. These calculations are very conservative, based on pre-program earnings versus post-program earnings, as well as pre- and post-program welfare costs; the most conservative assume no state or federal tax collection increases (too many variables), but all do calculate the increased contributions to the Social Security system (FICA).

The new system must be streamlined and consolidated on all levels, federal, state and local.

ACTIONS NEEDED ON FEDERAL, STATE AND LOCAL LEVELS

Consolidation must be done on each of the federal, state and local levels, or the overall consolidation effort will be severely impeded. While only hermits seem to have not heard of the infamous 154 job training programs, the myriad federal and state agencies administering the programs are less notorious. In New York, for example, 11 state agencies plus the City University of New York administered $931,927,375 in workforce preparation funding during the 1993 - 1994 year. How goofy is that? While all these agencies are competent in their individual missions, few have workforce development as the central component of

their individual missions. This 'non-system' promotes rivalry among agencies and programs at the expense of a unified mission of workforce development. This unnecessary rivalry occurs at both the state and local level, and the multiple layers of administration, contracting processes, and separate monitoring methodologies result in an inordinate amount of resources, both financial and staff time, being diverted to satisfy multiple procedures rather than directly serving the nation's business community and job seekers.

On the federal level, there should be a lead agency designated to provide guidance and policy direction for workforce preparation programs. The federal role would include developing and disseminating accurate and timely labor market information, establishing performance standards, providing technical assistance to the state and local levels, and setting a national policy direction for the human resource investment system. Additionally, a national council should be established consisting of national, state and local representatives, including local elected officials and representatives of the private sector. This council should review national employment policies and trends and prepare a strategic plan that sets forth national goals and objectives.

Each state should ensure that the guidance and responsibility for the state's workforce preparation system rest with one entity. States should designate a chief executive officer for workforce development. This could be done by the elevation of an existing state agency or by the creation of a new entity like the Michigan Jobs Commission, created by Governor John Engler. Additionally, Congress should override the fierce turf resistance to each state having a single Human Resource Investment Council (HRIC) by requiring that it be done in order to receive funds. This HRIC should include local employment and training practitioners, local elected officials, and stakeholders from employment, education, organized labor, economic development, and the private sector. In addition, states must establish state employment policy, develop and maintain state labor market information, administer the Unemployment Insurance system, and monitor and oversee the local employment and training system. States should also have the ability to provide discretionary funds for emergencies and economic shifts.

Local elected officials should share governance with local workforce boards consisting of a business majority, with representation from education, organized labor, economic development, and other key stakeholders. These workforce investment boards should set priorities for the local system. They should ensure accountability through rigorous review of performance outcomes.

SOME THOUGHTS ON SKILLS SCHOLARSHIPS

As this article goes to press, the Clinton Administration, the Democratic Leadership Council, and Senator Daschle of South Dakota have advanced the concept of Skills Scholarships or skills accounts for disadvantaged or dislocated workers. The theory is clear and straightforward: the people know best what they want, and by directly putting vouchers in their hands we simultaneously eliminate a 'bloated government bureaucracy.' This part of the proposed Middle Class Bill of Rights has been closely compared to the successful and widely popular GI Bill of Rights.

I believe that there are implications that have to be fully explored before the good elements of the current system are completely abandoned. First, the comparison to the GI Bill does not hold up. The GI Bill first called the Serviceman's Readjustment Act was passed in 1944 with a goal of assisting soldiers in reentering the civilian world by helping them procure job training or education. All veterans who had served at least 90 days and had been honorably discharged were eligible for educational benefits. The duration of the benefits depended on the length of service, ranging from one year of full time education or vocational training up to a maximum of 48 months. The government paid the tuition costs and standard educational fees and provided a tool allowance for veterans training for skilled occupations. It also provided a living allowance. More than 7.8 million veterans of World War II, including my father, took advantage of the educational benefits of the GI Bill.

I don't know what a year of tuition at Manhattan College cost in 1947, when my father resumed his education. I do know that a year of tuition, fees, room and board at my alma mater is about $25,000 today. What this proposed skills scholarship of $2,000 to $3,000 over two years could buy for today's recipients simply cannot be compared to the GI Bill of Rights!

Further, the proposed skills scholarships are premised on existing, successful one stop centers and widely available performance data on training providers, both cost and placement data. Neither of these two conditions are fully available today. The U.S. Department of Labor has begun a modest one stop initiative. Six states were funded in round one to start up a one stop system. These states just began that effort in the past several months. We don't know which, if any, of their approaches will be successful. They were funded based on a proposed plan calling for a three-year phase-in statewide. Second, some entity, presumably a one stop system, has to be able to verify cost and placement claims of proprietary schools. While most are above board, recent New York state legislation called for vigorous crackdown on those fly-by-night proprietary schools that have made widely exaggerated claims of success to desperate job seekers. Are we dismantling all of the current system, only to build a new bureaucracy?

Proposed skills scholarships are premised on existing, successful one stop centers and widely available performance data on training providers.

While I believe that customer choice should be a cornerstone of the new consolidated system, nevertheless, job seekers are not only spending their money but have a partner in their fellow taxpayers. Shouldn't this choice be more like the managed competition of a healthcare HMO? The irony of the voucher discussion as a revolutionary idea is that since the passage of the Job Training Reform

Amendments of 1992, the JTPA system has moved to an estimated 60% Individual Referral process for placing those seeking training into appropriate training. Just as the healthcare HMO saves public money and maximizes results, I think that such a system better serves the dual needs of the individual and the taxpayer. Informed choice implies an ability to police information, and provide more intensive case management for populations who need it to a larger degree, like disadvantaged youth, limited English speaking, lower skilled dislocated manufacturing workers, etc.

Final thoughts on jumping full tilt into a voucher system, are: what else are we abandoning? Small businesses have been the backbone of job creation in this country for the past decade. There is a benefit that is currently being provided, a value added, that has never been closely examined. While fueling this job growth, these small businesses often do not have the expertise and/or resources to develop cohesive and relevant training plans for their employees. As the result of working with a JTPA provider to develop an On the Job Training (OJT) agreement, small business training needs are formalized. As the training period progresses, feedback and suggestions from JTPA staff fine tune the training plan, at no additional cost to the business. After subsidized trainees complete their transition to unsubsidized employment, the business is left with a tangible blueprint which can be used to train any future employees for that job.

Congress should also consider what else goes if the current system is totally scrapped, the ripple effect. In New York State, 20 of its 62 counties currently pay the JTPA entity in their county to work with and place into jobs public assistance recipients. While for the year ending June 30, 1994, the JTPA system statewide trained and then placed 3,378 welfare recipients into jobs with JTPA funding, it also secured jobs for 8,469 public assistance recipients across New York in the 20 counties that received non-JTPA funds for that purpose. The average cost per placement for these 8,469 job placements of welfare recipients was $1,324 per entered employment. This compares very favorably with the $5,500 per placement for the much ballyhooed, private sector America Works! Maybe the benefits of vouchers outweigh any negative in eliminating the value added to reducing the welfare roles by building on the JTPA infrastructure. But at least let us thoughtfully examine all the consequences. The Kennedy, Kassebaum, and Goodling Bills of 1994 all provide for various methods to phase in an improved system after study and recommendation. It must also be noted that getting needed information is very difficult to do. The value-added welfare to work data for New York, cited above cannot readily be found. The New York Association of Training and Employment Professionals was able to obtain this information only by surveying each individual county's JTPA office.

BE CAREFUL WHAT YOU PRAY FOR, YOU MIGHT GET IT

One final thought: be careful what you ask for, that's what you may get. In 1982, when Congress enacted the Job Training Partnership Act, a performance standard for successful achievement that would earn incentive funding was cost per entered employment. While on the surface this seems to make sense, rewarding efficiency, it sent a clear unintended message that cheaper is better. Success was measured by lowering the unit cost from year to year. This logically leads to a tendency to cream the easiest to serve from within any 'hard to serve' group. The lesson on performance standards is that they have to be completely thought through; what you ask the system for is what you'll get.

Secondly, the taxpayer test should be foremost in the mind of the Congress when it they address job training legislation. When the Family Support Act attempted to reform welfare by creating the JOBS (Jobs Opportunities and Basic Skills) initiative it called for performance standards that to this day have never been enacted. It also defined success through a participation rate-numbers involved in an activity, not through entries into employment. At the time, those of us in the field shook our heads. It was obvious that a few years would pass, the General Accounting Office (GAO) would issue a report that lambasted the lack of placement information, as well as the paltry entered employment rate. Immediately thereafter, editorials across the country would appear blasting the program for focusing on participation. Public support from the taxpayer would shrink to nil. This all came to pass in December 1994.

Completely reworking 60 years of experience in federally-sponsored job training is an enormous undertaking.

Completely reworking 60 years of experience in federally-sponsored job training is an enormous undertaking. The rapid changes in the structure of our involvement in an increasingly global economy suggest that, as a nation, we might have only one chance to get it right. It is therefore critical that clear goals and objectives are spelled out to all the stakeholders, that massive change be thoughtfully phased in, and that any performance standards pass the taxpayer test.

CREATING A NATIONAL HUMAN RESOURCES DEVELOPMENT SYSTEM: THE POLITICAL REALITIES OF REFORM

Susan Grayson McGuire, independent consultant

What if they gave an employment system party and nobody came? What if they announced a major policy breakthrough to cut through stacks of regulations and layers of bureaucracy. YAWN —

Just who cares about the arcane details of collaboration, coordination, consolidation, and coherent integration (to say nothing of incoherent integration!)? Is a revamped employment and training system going to improve the standard of living of the average American? Is it going to make us more competitive in the world market? Is it going to help us keep our jobs? Is it going to fuel the conservative revolution or be a vindication of liberal values? There has been a great deal of activity and discussion among policy makers and policy followers about major reforms in employment and training policy, but where is the popular base for reform? Where is the constituency for a new system?

Make no mistake about it; the choices implicit in a radical reform of federal employment and training programs are going to make somebody mad. Every one of the programs in our "jerrybuilt" system is a response to a real need. The organizations which initially promoted those programs — from cities to environmental organizations, from labor unions to senior citizens, from veterans to homeless advocates, from displaced homemakers to displaced workers — all have a stake in maintaining an identifiable service for their constituents.

POLITICAL CHALLENGES OF CONSOLIDATION

Two programs provide an insight into the difficulties of the politics of consolidation: Trade Adjustment Assistance Benefits and the Stewart B. McKinney Homeless Assistance Act. The Trade Act of 1974 provided cash benefits, training and employment services to workers adversely affected by increased importation of products competing with those produced domestically. While it has been argued often over the years that workers laid off because of changes in the domestic market are just as unemployed, just as needy as those displaced because of trade policies, proponents insist that the TAA benefits are a direct response to government actions and therefore deserving of special treatment. While income maintenance has been reduced and training increased, TAA remains a distinct targeted program. Instead of building on this program, new categorical programs have been enacted when similar arguments have been made for the defense, transportation and communications industries and for workers impacted by the Clean Air Act.

The Stewart B. McKinney Homeless Assistance Act was enacted in 1988 when national attention was focused on the plight of the homeless. The Act provided a separate authorization for job training for homeless individuals. The Job Training Partnership Act also targets services to homeless individuals in the Title II adult programs. In an effort to promote collaboration, JTPA requires service delivery areas to establish linkages with the McKinney Act. The Adult Education for the Homeless provisions of the McKinney Act are currently funded at a level of $9.6 million. Would consolidation of the McKinney programs with JTPA Title II programs result in a diminution of funding for the homeless? Would consolidation signal less concern about the homeless problem? The fact that the act was named posthumously for a respected Republican Member of Congress makes consolidation an even more delicate proposition.

These programs also exemplify the difficulty in promoting a coherent employment and training system within the strictures of congressional committee jurisdiction. While the new organization in the House of Representatives may shuffle program jurisdiction, it is unlikely to do away with zealously guarded committee control over legislation. In the House, legislation is referred to committee first by the Rules of the House and then by a determination by the House Parliamentarian. Among the skills honed by key committee chairmen and staff is the ability to draft legislation so that it can be referred to a favored committee. Often jurisdictional disputes are resolved by splitting legislation among several committees. Among the fiercest battles during my years working in the House were battles among majority members and staff for control of legislation — battles often joined by minority members siding with their committee chairmen. In the 103rd Congress, jurisdiction over some component of human resource development was shared among half of the standing committees of the House of Representatives.

Unless we have a clear national objective which, after all, enhances our prospects for an improved standard of living, what have we accomplished?

ANALYSIS OF THREE MAJOR FORCES FOR CHANGE

What is driving the current policy fascination with reform and reconstruction of the federal employment and training structure? Clearly one major force is budgetary. The General Accounting Office has identified 154 different federal programs administered by 14 different agencies at a cost of $24 billion. A Republican proposal introduced in the last Congress outlines proposed savings of $1.4 billion per year — $7 billion over five years primarily through elimination of duplicative or ineffective programs. The

Republican proposal would consolidate 86 federal education and training programs into seven block grants to States and would eliminate funding for ten programs. The proposal also claims to achieve savings by reduction in administrative costs.

An unspoken, though real, outcome of consolidating programs is a potential reduction in overall services if funding is reduced beyond the administrative savings of consolidation. Moreover, advocates for low income and other target groups fear that consolidating programs and giving broad discretion to the states to administer and target employment and training funds will slight those in greatest need with the least political clout.

A second major impetus for reform is the confusion and inaccessibility of the present federal job training system. Clearly the current maze of federal programs with different administrative structures, different eligibility criteria and different funding sources is vexing to providers and perplexing to the public. It certainly isn't user friendly. **Let us recall, however, if our primary goal is consolidation, we've been down this road before. Since the early '60s we have responded to changing economic conditions and public priorities by creating new programs, then consolidation, then creating programs anew when some sector of the workforce has a demonstrated need not being met by existing services.**

Our federal "second chance" system serving economically disadvantaged individuals started in the Kennedy administration with the enactment of the Area Redevelopment Act providing subsidized training for companies locating in impoverished areas. ARA was soon followed by the Manpower Development and Training Act (MDTA). Initially targeted at workers affected by technological change, it shifted its focus to minorities and low income youths. The War on Poverty produced a burst of new program initiatives through both MDTA and the Economic Opportunity Act and through amendments to the Social Security Act with the enactment of the WIN program.

Economic recessions in the early '70s added new programs subsidizing public employment to the array of federally funded training and job placement assistance. By 1973, policy makers agreed to consolidate the categorical programs into a comprehensive system of training and related services administered through local prime sponsors. Subsequently, the Comprehensive Employment and Training Act was amended almost yearly, tinkering with the delivery system and adding new program elements. Fatally, CETA became the delivery system not only for training but for a massive expansion of public service employment — poorly administered and publicly reviled as a prime example of wasteful public spending. CETA was replaced in 1982 by the Job Training Partnership Act which eliminated public service employment and shifted oversight responsibility from the federal government to the states.

A third force for reform is the realization that our present conglomeration of programs is marginal at best in meeting the swirling forces of change buffeting our economy and society — rapid changes in technology and communications, globalization of economic markets, and fierce competition by foreign industries and workers who are increasingly advanced technologically and educationally. No longer can American workers and industries rely on the vast American market to fuel prosperity. No longer can modest skills provide a middle class income.

I would argue that the third imperative for reform is the most critical one, and the one most likely to carry the seeds of political support for the painful choices which must be made in a major restructuring of our job training programs into a true human resources development system.

First, an employment system which is responsive to our national needs to broaden the basis of support. It is an inclusive system offering a wide range of services to the public. Instead of "them versus us", it's "we're all in this together". It would be broadly supported by both workers and employers. Workers would not be stigmatized by narrowly targeted programs. They could pick and chose among services based on their job skills and the market. Employers would have a strong voice in the design and implementation of services and the standards which individuals and program providers are expected to meet. If all workers have access to labor market information, job training, adjustment assistance, and skill upgrading, the upheavals of the market and foreign competition will be less daunting. All youth would have access to workforce preparation and labor market information.

Whether the system relies on one stop career centers or a network of computer information, the key to this approach is universal **access** to services and information. Financial **support** for services should be targeted on those most in need. There is no lack of imagination among policy makers for designing a system of support which could include direct subsidies, sliding scale grants, loans, tax credits or other mechanisms.

No longer can American workers and industries rely on the vast American market to fuel prosperity. No longer can modest skills provide a middle class income.

Second, an inclusive, comprehensive system would be built on accountability; not just financial accountability, though that is absolutely essential to maintaining public trust, but accountability for outcomes, both for individuals and for programs. Performance standards should be applicable across program lines and reflect labor market realities. Standards should include professional and technical standards broadly accepted by employers and industries.

Third, a national, universal access human resources development system should reduce bureaucracy through consolidation of categorical programs and elimination of multitiered and overlapping governance structures.

Reducing unnecessary spending is a laudable and essential goal. Consolidating programs which are duplicative and eliminating programs which are ineffective just makes common sense. But unless we have a clear national objective which is broadly shared by the public and in which all players have a stake and which, after all, enhances our prospects for an improved standard of living, what have we accomplished?

FUTURE DIRECTIONS FOR EMPLOYMENT &TRAINING POLICY

Evelyn Ganzglass, Director of Employment and Social Services Policy Studies
National Governors' Association

The status quo within employment and training is about to be challenged by a shift of policy direction from the federal government to the states through block grants, and market forces unleashed by the increased use of vouchers, massive budget cuts or by some combination of these factors. Undoubtedly, many organizational boxes will be rearranged and many new people who do not have a vested interest in the system as we know it will get involved in making employment and training policy.

My fear is that, despite all of this turmoil, many of the things that really matter won't change. Program quality and front-line practice won't improve. The employment and training system will remain peripheral to the economy and invisible to much of the workforce and most employers. If those of us who work within the system are honest with ourselves regarding changes in policy and practice that should have been made, but haven't because of politics and institutional inertia, we will take this opportunity to build on what we have learned and reexamine some of our basic assumptions. **For a start, I'd like to challenge four assumptions:**

Incorrect Assumption #1: Job training should not be connected to economic development.

A glaring weakness of the current job training system for both the economically disadvantaged and dislocated worker is that it is not sufficiently connected to the mainstream economic activity of this country. Although the rhetoric of public-private partnership is strong, the reality is that most employers are neither aware of the system nor do they participate in it. Most programs are designed to serve a social purpose. They do little, if anything, to improve productivity or contribute to employers' bottom line. Employment and training programs have been intentionally kept apart from economic development strategies which are directed at increasing firm competitiveness and, thereby, the demand for labor. This policy must change.

Incorrect Assumption #2: Public responsibility for job training and education ends when someone gets a job. It then becomes the responsibility of individuals and employers.

I offer a radical suggestion. Change the entire paradigm of employment and think of job placement as a first or intermediate step, not the ultimate outcome of the system. Getting a job is not enough because we know that people cycle in and out of jobs, welfare and employment and training programs without ever achieving long-term economic self-sufficiency. We should reward those people who are working with a real opportunity to move up. We should help people get an initial job (through job search, job placement, and basic remediation and job training where necessary) and then support their continued education and training through vouchers, counseling services and other incentives like individual training accounts so that they can eventually qualify for "good jobs" with benefits and career potential. This is not on-the-job training as we know it, subsidizing the extra cost to employers of hiring people who are not fully qualified to carry out the jobs for which they are being hired. Rather, it is a strategy to improve motivation and lengthen the time available for employability development. Jobs provide needed income and a relevant context for learning. In addition, workforce development becomes a much truer public-private partnership when both sectors jointly invest in the individual and, in turn, the firm's competitiveness.

Incorrect Assumption #3: The sole purpose of employment and training programs is to provide second chance opportunities for those who have not succeeded within our first chance systems.

This purpose is insufficient and probably doomed to failure because success rates have proven to be moderate at best. Despite billions of dollars invested in second chance programs, welfare dependency, teenage pregnancy, high school dropout rates, and youth incarceration have not declined. We should get double duty from our investments. Public workforce development dollars should be used to leverage private sector and personal resources. They should be directed at changing first chance systems rather than just providing remedial services to compensate for the deficiencies in these first-chance systems. We should measure our success in increasing employer investments in worker skill development, in building community capacity to reinvigorate our urban and rural neighborhoods, in strengthening families to nurture and care for their own.

Incorrect Assumption #4: Performance standards and competitive procurement, by themselves, improve program effectiveness.

JTPA is the most prominent example of a performance-driven federal program. By and large, the system has done well in meeting and even exceeding its performance

Improvements in program effectiveness cannot be achieved without a greater emphasis on capacity building, research and evaluation.

standards. However, recent program evaluations have provided evidence that meeting performance standards does not necessarily equate with achieving program effectiveness. The issue is not just one of ratcheting up performance, but of making a real difference in people's life. Needed improvements in program quality and effectiveness cannot be achieved without a significantly greater emphasis on capacity building, research and evaluation than now exists at all levels within the delivery system. My fear is that rather than increase investments in continuous quality improvement, such investments will be cut back just

at a time when the system will be called upon to do more with fewer funds.

If the potential for experimentation, service integration, program improvement and cost savings is to be realized under block grants, front line practice will have to change. This can only happen if the various agency cultures within which these workers operate change, and if the workers learn how to function in more effective and efficient ways. Institutional change is unlikely to come quickly or without substantial and sustained investment in professional development. Although we tout the praises of high performance firms that implement continuous improvement processes and invest in their workers and technology, the public sector has been notoriously derelict in adopting such practices. We must turn our rhetoric into practice and fundamentally change the way we do business by learning from successful private sector firms.

(Note: These comments are my own and do not represent the views of the Governors or the National Governors' Association.)

LET'S BUILD A SYSTEM, FINALLY

Erik Payne Butler, President
Bay State Skills Corporation

Twenty-five years in this business have inured me to frequent turns in the road of federal enabling legislation. Nonetheless, it seems even to this road-weary eye that a few of the current proposals are important watersheds that — if wrongly conceived and designed — could really mess things up. On the other hand, some of the proposals swirling around are generally rightly conceived, and nearly all have much in common. We ought to treat this period as an opportunity to do some of the things that many practitioners have wanted for years.

In fact, why don't we take the rhetoric at face value? Let's use the current moment as an opportunity to build an actual employment and training system. We say we have a system — we go to conferences and talk about it, but in life we have programs, funding streams, regulations, separate accountability, and a collectively poor reputation. At the customer level, we tend to squeegee one system failure into the next — from school failure to the individual, rather than to our own failure to recognize the difference between a program and a system.

First, let's try to be clear about the public purposes of employment and training, and use them to think about the characteristics of a system. Let me suggest four legs to this chair (a stool would not be sturdy enough), and try to relate each to a public purpose for which I believe there is considerable support: 1) a developmentally-based strategy for preparing young people for adult life; 2) employment and education to support transition from welfare to working; 3) adjustment assistance, including retraining, for the frictionally unemployed; and 4) investment in the competitiveness of American firms through re-skilling current workers. I have thoughts on each subject, presented below.

An underlying public purpose is to prepare first-time workers for the economic opportunities of the present and future. Something approaching a real consensus has emerged that schools, companies, community organizations and parents owe concentrated effort — working together, somehow — to the task of preparing young people broadly for life as adults and workers. The GOALS 2000 and School to Work Opportunity Act (STOWA) legislation passed last year are good evidence of that consensus and good steps. They are, even taken together, imperfect and insufficient, but I think it's a good idea to build on their combined framework.

GOALS 2000 embodies most of the right aims. But the legislation stops too far short of tangible action towards achieving the goals set forth, reflecting the investment-phobia that infects all post-Reagan-deficit initiatives. Likewise, STOWA understates the importance of a developmental approach that would start earlier with young people, and it focuses only on students still in school, but it offers the basis of a systemic approach on which other priorities might be pursued. But both pieces are a start, they're moving us in the right directions, and they seem to represent some bi-partisanship that surely we are going to need in the days and years ahead. So let's build part of our system for young first-time entrants on these foundation stones.

If we can invest appropriately at younger ages, we may stem the rising tide of school dropouts; we will only succeed in this if we begin at a developmental stage young enough that we intervene before the real seeds of dropping out are planted, say at the outset of adolescence. If we can reduce dropping out and at the same time concentrate on real skill development in and out of school, what we know about the relationship between basic skills, school attainment and poverty may come into play. We could reduce the number of young people who leave school, fail in the labor market, and move onto public assistance rolls. We have not yet built such a system, only invented programs on small scale.

Let's use the current moment as an opportunity to build an actual employment and training system.

Several of us in Massachusetts are taking a crack at such a system. In anticipation of the School to Work Opportunity Act, we at Bay State Skills Corporation

entered into partnerships with four Massachusetts communities to build, over the long haul, a system built of a continuum, of services from middle school through high school, intended to work with all young people in targeted neighborhoods and schools, to ease the transition to adult responsibilities. This initiative, called Communities and Schools for Career Success, weaves together efforts at academic improvement, with community and firm-based experiences in service and learning, and with community-based health and social service supports for youngsters and their families. Now in the second year of funding from the DeWitt Wallace Reader's Digest Fund and other public and private sources, we have set our calendars to work in these communities for ten years. We intend to build a genuine system of services and experiences which begin early, continue along a designed plan for every youngster, and result in more young people making successful transitions.

Of course, we all know that even when we do construct a system, we should realistically expect some people to fall through its cracks. For them, and for those who have already fallen through, we need the next building block...

When we fail in the first transition to work from school, we owe it to individuals and to the economy to try, try again. Many of the current proposals for reform of welfare seem vindictive, and I suspect they mask frustration that the attempt to justify training investments as welfare-budget-cutting has failed. It is not so much that the investments themselves have failed — indeed, there is good evidence that many thousands of AFDC recipients have had life-transforming experiences in training and education programs — it is that the budget requirements of the safety net have not diminished as a result.

Rather then enter that argument here, let me focus instead on education and employment. It seems we are about to scrap the JOBS program of the Family Support Act. Scrap the title and language if we must, but let's not throw away the idea that there is a significant group of AFDC recipients whose major barrier to financial self-sufficiency is the lack of basic literacy and work skills, things that for whatever reason they did not acquire in school or on their first jobs. For some AFDC recipients, to be sure, life is simply so complicated that simple acquisition of skills and being networked to find that first or next job is inadequate. But there is a large group — I'd call it 30%, though that's experience, not data, speaking — for whom a good training and education program would be critically positive. Not just any training program, now, but a substantial one, designed with job and skill outcomes in mind. It probably needs to be at least six months long, but possibly up to eighteen months, and based on an individual-by-individual understanding of with what skills they begin.

We know some of these people. They participate in our biotechnology technician programs, where 80% who participate find jobs at more than twice minimum wage. They are training to become surgical technicians and operating room attendants and nursing assistants. Some are taking six-month 'vestibule' courses to polish their basic skills so they can advance into the biotech and medical professions courses. Still others are learning child development so they can work as teachers in the same child care centers that currently care for their children. Some may soon be coupling child care courses with small business courses, looking to wend their way through the complex licensing weave to become home-based child care providers.

It would be a personal and public tragedy to send many of these people, mostly young mothers, directly into the labor market with a sink or swim message. With new skills, they have motivation and confidence. With the kind of networking into business and health care that we and others can give them, they have contacts. And that's the combination we all need. That they currently lack the skills and the networks has a lot more to do with how we have chosen to manage social policy, public education and the economic enterprise in this country, than with any inherent deficits with which these individuals approach the labor market.

There will always be a public responsibility for lubricating the friction in the labor market by re-educating and retraining those who are rubbed loose by change. When I first came into this business, I learned about 'structural' and 'frictional' unemployment. The first had to do with people perpetually left out of the system by dint of social structures, racism, and even geography (like jobs moving to the suburbs). I would like to think that a thorough construction of the first two legs of a system — preparing first-time workers, and assisting a welfare-to-work transition — accommodates the structurally unemployed. (In truth, I believe it's a 'stock and flow' problem. Even if we invent prospectively the systems I want, there is still a large stock of presently-structurally disconnected folks whom we've already passed by, and whose skills are needed by a healthy labor market.

I haven't heard the terms so much lately,

The labor exchange function as exhibited by most state-run employment or job services is creaky at best.

but we've been seeing plenty of frictional unemployment in Massachusetts. Restructuring in a challenged electronics industry has resulted in job losses of nearly 40,000 people in the past three years. The defense drawdown in this state, coupled with the challenges of a recession followed by slow job growth, has compounded the trend, and begun to shift from large companies to their smaller suppliers and customers. The health policy debate combined with cost escalation has stalled the health care industry in this center of medicine, and the focus has turned, as with financial firms ten years before, to mergers, consolidation and cost containment. In the process, a lot of people who thought they were set for life have come loose, re-entering a labor market they thought they had mastered, equipped with obsolete or over-specialized skills, and a network consisting of people in the same boat.

It is clear to me that there is a special public responsibility for easing this work to work transition. But we have crude tools for doing so, and here it appears that the desire for 'consolidation' makes eminent sense, so long as it is not just a ruse for budget cutting. The labor exchange function as exhibited by most state-run employment or job services is creaky at best. It does a decent job of dispensing unemployment compensation but occupies only a narrow band of job-finding and job-matching services. As a result, most job services lack much

credibility either with employees or employers. The newer band of dislocated worker services seems more agile and focused, but it is limited by too narrow a focus on certain impacted industries and by stifling red tape. **One-stop centers, individual training accounts or vouchers, and large-scale consolidation all are worth experimenting with, but no one approach has enough credibility for me to recommend it wholesale. This is important enough work to mount some careful experimentation with planned variations driven by smart state governments.**

Dislocated worker dollars from JTPA-Title III are helpful, but too restrictive and limiting in our experience. Another Massachusetts case in point: At the same time the electronics industry was hemorrhaging 40,000 people, the software industry in our state was growing. We projected 30,000 new jobs in a three-year period. Logic suggested that skilled personnel in electronics might be readily retooled with skills for a new, but also technically-oriented field. We set about to create a test, and have succeeded, but only by compensating for Title III's weaknesses. The Software Council Fellowship Program is training 120 dislocated electronics professionals each year for entry into the software industry. In a six month period, laid-off professionals are oriented, trained, placed in software companies as full-time 'fellows,' providing hands-on experience to the fellows, and a chance for software companies to observe their work, advise them, and perhaps hire them at the end of their six-month tenure in the program.

These are mature professionals, averaging 48 years of age. Most have exhausted their unemployment benefits, with an average of 49 weeks of unemployment. Title III formed the core of funding, but other, more flexible resources had to be added to pay for things (like program evaluation, and an initial residential retreat — like a boot camp) that were deemed too expensive or unusual. Most significantly, no public source was able to provide living support for the trainees, until companies were asked to pay into a 'stipend pool' for the fellows that could be used to, in effect, extend their unemployment benefits for the six months they were in training.

There is good news and bad news in this example. The good news is that an inventive partnership of three public agencies and an organized industry created an unusual response to a problem and an opportunity. And it appears to be working, with 80%-plus placement at good replacement wages. But the bad news is how hard it was. When this vital 'adjustment' money is tied up in special purpose legislation, no matter how well-aimed it was initially (at trade adjustment, at NAFTA, at defense conversion) each purpose gets translated into new regulations, new reporting requirements, and new competition for resources at the state and local level.

There is a public role in supporting the global competitiveness of American firms, and supporting efforts to modernize the employed workforce is an appropriate way to go about it. We spend most public resources on training and education on a small share of the population; those who have barriers to employment such as poverty status, or long-term unemployment, or having been laid-off. We have committed very little thought and as little money to currently employed workers. Perhaps that has been the right strategy. But if it was once, it no longer is. With rapid escalation in the pace of globalization and technological change, we can no longer think of workforce development only for those not presently attached. Rather, we need to extend the workforce development continuum past training program doors and into the firm. One might make an argument that large firms have all the resources they need to upgrade the skills of their workforce, and ought to be expected to do so. But small firms — individually and collectively — lack substantial resources, and are just beginning to become aware that training will be needed if they are to remain or become competitive.

Here's how the numbers work in Massachusetts: In a state of approximately 5,000,000 people, we have a 60% employment/population ration, for a workforce of about 3,000,000. If our unemployment is 6%, there are 180,000 unemployed people. Our welfare family caseload hovers just above 100,000, another 3%. Almost all federal resources for employment and training are committed to this 10%. Surely we need to maintain at least our current commitments to the labor market's disconnected resources. But the remaining 90% have skill challenges of their own as their employers modernize, become more technology-centered, and restructure. As with failing to prepare young people for work, there's a bit of the FRAM Oil Filter argument here: 'pay me now or pay me later.' It affects both individuals to whom restructuring might mean the end of a long career, and firms whose failure to modernize their workforce might bring the rest of their efforts to a standstill.

We are proposing a pilot effort in Massachusetts, with three parts. The first is an assessment, diagnosis and planning service for small and medium firms designed to help them appraise their needs for training and education and develop a 'training plan.' The second is a matching grant program, in which firms commit one dollar for each public dollar to fund approved training to execute their plan. The third is a substantial loan fund for training in which firms may borrow commercially for training at favorable rates enables by public rate subsidy and loan loss guarantees. This will be small, at first, since there is considerable caution about public support of firm-based training. Yet the recognition that higher and better skills are needed, and that the capacity is not yet developed, should produce a useful pilot initiative here. I urge careful consideration of such an approach at the federal level, as well.

Let me close with a handful of recommendations to those circulating proposals:

1) Build your legislation with an eye to constructing a whole system. Mere consolidation does not go far enough if all it does is mush together a few titles of current laws.

2) Build your system from the ground up. Think through, preferably with the concentrated help of practitioners whom you trust, how it will actually play out at the local, then state, levels, and ask yourself what pieces of federal enabling and support will best produce the result we seek.

3) Do not get stampeded by easy solutions in which you abdicate responsibility, like block grants without performance standards, or vouchers or individual training accounts. Each of these hold some undeniable appeal, but perhaps they are best experimented with on a limited basis to work out ideas and straighten out probable kinks.

4) Above all, do not forget the question of capacity. It is tempting to damn the whole enterprise with comments like, "it doesn't work." The fact is that many things do work, but out of context, without a real system, they don't add up to even the sum of their parts. They key is to build a system that makes the parts add up to more than their sum. Many of the parts are there, and the commitment to this field runs very deep. Take advantage, and take care.

REINVENTING FEDERAL TRAINING PROGRAMS

Anthony P. Carnevale, Chair, National Commission for Employment Policy,
Vice President & Director of Human Resources for Committee for Economic Development

Ours is a society based on work. A job is the price of admission in this individualistic and participatory culture. Good jobs make good neighbors and good citizens. Those unable to get and keep a job drop out of the community and polity. In the worst cases, after poor job prospects over long periods of time, the unemployed and underemployed create alternative cultures, economies, and political movements that are a threat to the American mainstream.

According to economist Jim Heckman, it would take $1.7 trillion in new human capital investments to reestablish the kinder, gentler income distribution that existed prior to the eighties. Although we do not have $1.7 trillion in new money, we can market incentives to improve productivity in our current $2.0 trillion human development systems. If we could improve effectiveness in the current system by less than 10 percent a year, we could achieve the pre-eighties income distribution within a decade.

The best way to improve performance when resources are constrained is to encourage more "bang for buck" with market incentives, information on outcomes and decision authority pushed down the line to the point of service delivery and at the interface between education and training suppliers, clients, and local job markets. Longstanding and growing pressures on public budgets have encouraged this realization and accounts for the increasing popularity of "vouchers" among both Democrats and Republicans. The usual argument begins with the notion that by dialing direct to clients, we can assure that they end up with more of the available funds. We can also enlist them or change agents in the constant process of updating education and training institutions. Clients empowered with service vouchers and better information to inform their choices can be a powerful progressive force and provide grassroots support for publicly funded human development. Moreover, while we cannot afford service vouchers for more than a small population of the nation's disadvantaged and dislocated, a general improvement in the quality of information will improve the return to private education and training choices of all Americans.

Empowering clients and enabling them with information does not justify the elimination of institutional support. Public institutions and community based organization will be necessary to determine eligibility, collect, protect, and disseminate information and to access clients, counsel them and provide continuing support.

Current Federal programs cover only small proportions of eligible disadvantaged and dislocated Americans. It is hard to imagine how we would find funds for everyone else. While we certainly don't have enough new money to provide all the education, employment, and training services we would like, we can accomplish a great deal by making better use of the money that is already being spent.

Current proposals for reforming Federal employment and training systems tend to miss three approaches: (1) block grants and other proposals to push decisions closer to the interface between real clients and real jobs; (2) vouchers that empower individuals with choice; and (3) the development of information and other systems reforms that enable empowered individuals to make better choices.

It is critical that the final reform combine all three approaches. Only the three in combination will work and represent a real qualitative improvement over the current system.

At first glance, any reform effort appears daunting. The variety of target groups, administrative structures, and funding flows is extensive, making amalgamation into a single system difficult. Broad block grants to states for specific purposes are one potential remedy that have been widely proposed, since block grants allow for greater flexibility in tailoring programs and services to meet local needs. Undoubtedly, pushing program decision making out beyond the Washington Beltway toward the interface between real jobs and real job seekers is a good idea. Nonetheless, block grants are unlikely to work all by themselves. After all, we have been giving states and local authorities more direct authority in education, employment, and training programs since President Nixon's "New Federalism." For instance, more devolution of program decision authority follows the long-standing pattern established in CETA and JTPA. More devolution may be advisable but it is unlikely to produce any dramatic changes in program effectiveness unless it is accompanied by other reforms. Bundling existing programs and sending them to the states will work best if we also create new, market-based incentives that empower recipients with choice and enable them with information to help them choose and thereby encourage the provision of the highest quality service at the lowest possible cost.

Block grants are unlikely to work all by themselves. After all, we have been giving states & local authorities more authority in education, employment & training programs since President Nixon's 'New Federalism.'

In sum, the reform of public education and training should be focused on a tripartite strategy: 1) re-engineering the delivery system; 2) empowering and enabling customers with choice and information; and 3) creating a public labor exchange.

Re-engineering delivery, empowering and enabling clients, and the development of an effective neutral intermediary between clients and service providers enlists the discipline of private markets in an era of scarce resources, focuses resources on client needs, substitutes market-based relationships for expensive administrative bureaucracy, and preserves the integrity of public relationships by establishing a neutral public intermediary between clients and service providers.

The most effective plan for improving the current workforce development system would follow these steps:

(1) To Reengineer the Delivery System: Begin immediately to eliminate or consolidate programs that are either unfunded or clearly duplicative in nature. Block grants should be organized by appropriate client groups, primarily disadvantaged youth, disadvantaged adults, and dislocated workers. While the majority of funds should go directly to clients, block grants to states and localities are appropriate for creating information systems and an effective public labor exchange to assist all workers in their career development choices.

(2) To Empower and Enable Customers with Choice and Information: The majority of funds should be allocated to eligible individuals in the form of vouchers to insure that a maximum of funds go to client services and to encourage a client-driven system.

The voucher concept is, in fact, contained in a recent proposal by the Administration, which suggests that monies available under the Job Training Partnership Act (JTPA) — projected to be about $13 billion in 1995 — be split into three distinct training accounts. The first (approximately $7 billion) would provide training vouchers to laid off and low-wage workers. The second (approximately $3 billion) would fund school-to-work activities for at-risk youth and "second chance" efforts for young school dropouts.

While my purpose is not to argue for or against the particulars of any one legislative proposal, I do want to stress that in any new system, individual empowerment must be paramount and that vouchers, particularly for adult workers, constitute a proven method for bringing this about. Among the advantages that a vouchering system can bring are greater efficiency, lower administrative costs, and, in most cases, a greater degree of individual control over training choices.

In advocating this position, however, I want to be equally clear that simply handing out a voucher entitling the holder to either classroom or on-the-job training is not the complete answer. A review of past program experiences with vouchers, which included vouchers for classroom training as well as employer-based training, was conducted for the National Commission for Employment Policy by the Bureau of Social Science Research in 1982. Although that study is over 12 years old, its findings are pertinent to the current debate.

In addition to the three major advantages already cited, the study noted certain disadvantages to vouchers that should be considered in assessing the expected benefits of such a system.

First, for disadvantaged individuals, actual use of the vouchers may be reduced because they are not well-informed about the suitability of alternative training opportunities for achieving reasonable labor market goals. Advocates of vouchers must recognize that individuals provided with vouchers may make unsuitable choices. It is possible, in fact, to have the anomalous situation where excellent training may be provided for unsuitable objectives, while poor training may be offered in pursuit of very reasonable labor market goals. Therefore, one objective of any voucher program must be to ensure that clients have the knowledge they require to make suitable training choices.

For training institutions, primarily community colleges and other sources of public training, there may appear to be few drawbacks to the use of vouchers. Training is paid for without the necessity of working with administering agencies. Skeptics, however, might point out that clients could also be drawn to proprietary institutions offering low-quality, high-cost training, which already compete with public institutions for Pell Grants and student loans. It should also be noted that Job Training Partnership programs, as currently administered throughout the country, already make heavy use of community colleges and other public training institutions to provide occupations skill instruction to JTPA participants. Insofar as JTPA is now being criticized for its failure to produce job-ready clients at termination, much of the criticism could be directed at those very same institutions that will be the beneficiaries of a nationwide voucher system. Accordingly, if vouchers are to be introduced on a wide scale, accreditation of training institutions will be of concern and it will be essential to develop a method for gauging the effectiveness of all such institutions, whether public or private.

Finally, the role of administering agencies must change under a voucher system. The principal role of the administering agency might be to counsel clients on the best use of their vouchers, to approve proposed courses of study, and to make voucher payments to institutions where the vouchers are used. It is expected that large cost savings will accrue in administration because of a reduced role of administering agencies, no longer concerned with intake, assessment, and other processes that are part of a large-scale public program. Nonetheless, a cautionary note should be sounded: if, for lack of adequate counseling, clients do not make reasonable training choices when given wider latitude in selecting courses of study or training vendors, or if other elements in the voucher system result in low completion or job placement rates, then vouchers will turn out to have a very high real cost in wasted education investments.

If vouchers are to be introduced on a wide scale, accreditation of training institutions will be of concern and it will be essential to develop a method for gauging the effectiveness for all such institutions.

So far I have focused on the use of vouchers to subsidize classroom instruction. As the 1982 BSSR study points out, however, vouchers can also be used to encourage employers to provide on-the-job training. Indeed, a very large source of job-related training is private employers

who provide most of the training for newly-hired or newly-promoted employees. Compared to vouchers for classroom training, the OJT voucher is more likely to subsidize training and work experience for occupations in which current job openings exist. If the employer is required to retain the vouchered employee after the subsidy ends, the training is likely to be directly relevant to the trainee's job, far more so in fact than typical classroom training. Evaluations of OJT in the JTPA indicate that OJT contracts, when properly managed, result in high levels of placement. Problems arise when contracts with employers are loosely drawn to allow longer periods of training than the job requires or when the contracts are improperly monitored. Many of these deficiencies in JTPA were addressed in the 1992 JTPA Reform Amendments.

While empowering individuals through vouchers (or some other mechanism) we must also enable them to make more effective individual choices; this requires that investments in new information be encouraged. Within this system, four kinds of information should be gathered:

• **Management Information.** Parallel management information systems would enable program operators and administrators to know what the programs are accomplishing. Progress in the development of such a system would require the establishment of common eligibility and service definitions and elimination of excessive reporting requirements. The work of the "Common Core Data Elements Work Group," an interagency task force exploring core data elements and common definitions for employment and training programs, should serve as a model for an expanded effort to include all related definitions and data elements from the universe of programs.

• **Labor Market Information (LMI).** More attention should be given to developing adequate information about the kinds of jobs that are being created. The UI wage record system could be further developed to provide more useful information about these kinds of jobs.

• **Program Effectiveness and Outcome Data.** As part of the effort to ensure accountability by service providers, it is essential that there be documentation of individual learning gains and employment and earnings effects derived from specific services and treatments by individual service providers.

In addition, common data on the earnings and employment effects of the diverse array of state and local programs envisioned in this bottom-up delivery structure need to be developed to help a multiplicity of providers and individual clients understand what is working and what is not. One experimental approach originated by the National Commission for Employment Policy involved use of Unemployment Insurance wage records. A data base tying UI wage and employment records to the JTPA program in some 20 states has been developed by NCEP and has been used to evaluate the results (i.e., pre- and post-program employment and earnings gains) from JTPA and JOBS programs for adult men and women in several states. In the 1992 JTPA Reform Amendments, Congress directed the Bureau of Labor Statistics to begin exploring how to expand this system nationwide, and the Commission recommends that this effort go forward as rapidly as possible.

In addition to these individual program evaluations, the Congress should consider requiring the preparation of an annual report on the effectiveness of training programs, modeled after the Employment and Training Report of the President, formerly produced by the U.S. Department of Labor.

• **Customer Information.** Tying MIS, LMI, and UI wage record data together should make it possible to offer program effectiveness data to "customers"—namely, prospective participants, counselors, and others who need to evaluate which services will provide the best results. This is admittedly at an early stage of development, but with a growing emphasis on "customer satisfaction" in the public sector, it is important to focus on the development of this type of information to make it conveniently available to all interested parties.

(3) To Create a Public Labor Exchange. A public labor exchange is required to provide a place where individuals can go for information and counseling

Simply handing out a voucher entitling the holder to either classroom or on-the-job training is not the complete answer.

and employers can go to find prospective employees. The labor exchange should not provide training but should be the repository for labor market and customer information on individual education and training providers. The labor exchange should also provide basic functions like vocational assessment, job counseling, job search assistance, and job development. The labor exchange needs to be public in order to protect the integrity of labor market information drawn from business organizations, to provide consistent eligibility determination for individuals, and to protect the privacy and integrity of individual employment records. While often maligned and still suffering the results of lengthy periods of underfunding, the public Employment Service, which now collects and manages sensitive labor market information for employers, local areas and states, could be improved and should be integrally involved in the development of any renewed system.

ADVANCING AMERICA'S WORKFORCE

Rodo Sofranac, Chair
National Association of State Job Training Coordinating Council

Are we truly committed, as our rhetoric says, to treat the process of acquiring knowledge and skills as a lifelong journey and to share the responsibilities and costs that such a comprehensive, ongoing effort requires? We, the members of the National Association of State Job Training Coordinating Council and Human Resource Investment Council Chairs have responded with an emphatic "Yes!" to taking on this challenge. We not only recognize that we can, if we work together, but we must. The vitality of our economic future is at stake. In promoting the restructuring of our workforce development system to advance America's workers, our Association recommends the following:

(1) Create a system that reinforces individual responsibility and provides customer choice and easy access to services:

- Encourage individuals to invest in the continuous upgrading of their knowledge and skills
- Provide incentives to implement alternative vehicles
- Develop a national labor market information system
- Establish local "onestop" points of service
- Include, as a component of each state's quality assurance system, information on provider performance

(2) Create a strong partnership with the private sector:

- Encourage states and localities to establish work force investment boards that have strong private sector representation
- Support the use of industrybased skill standards
- Support upgrading of incumbent workers
- Leverage employer investment in worker training by providing incentives

(3) Redefine federal, state, and local relationships:

- Enact legislation to consolidate the current myriad of federal programs into block grants
- Centralize the administration of the work force investment programs into one federal agency
- Create a federal work force investment board
- Adopt a broad and consistent policy of granting timely waivers
- Provide state and localities flexibility in the administration of work force development programs
- Promote strategic planning of work force investment resources across programs at both the state and local levels

(4) Connect work force investment, education, and economic development activities at all levels within the system:

- Include the U.S. Secretaries of Commerce, Education, and Labor as members of the National Work force Investment Board
- Include representation from work force and economic development agencies and educational institutions on state and local work force investment boards
- Provide timely labor market information
- Provide states and localities the flexibility to work with small and medium-sized firms

(5) Establish clear, simple and measurable outcomes for the system:

- Define national outcome measures
- Allow states and localities the option to further define outcome measures
- Make optimum use of U.I. wage records as well as academic and occupational skill standards
- Develop common definitions, data elements and reporting requirements

In 1993, we published *Bring Down the Barriers*, a set of issues and policy recommendations that concisely articulated the need to change our view of workforce development. The paper asserts that the nation's economic future depends on finding common ground to advance the development of its workforce. A number of policy recommendations were presented to maximize current resources as the nation transitions from a collection of independent, overlapping employment and training programs and services, to a comprehensive, integrated system. The mission of this system is to build a globally competitive workforce.

Many of our partners acknowledged and supported these recommendations. As

Advancing the knowledge & skills of America's workforce is fundamental to the nation's economic competitiveness.

illustrated in the paper, we have dozens of programs and hundreds of rules and definitions, being implemented by thousands of administrators and service providers across the country to serve millions of customers — yet, while some progress has been made, the results are still inadequate to meet the global challenge.

Viewing *Bring Down the Barriers* as the beginning, not the end of a process, the Chairs Association has moved to the next step by proposing a national strategy for workforce development — *Advancing America's Workforce*. This document presents a framework for a workforce investment system that affords every youth and adult the opportunities to continuously upgrade their skills and provides every employer the skilled workers they need to remain competitive. What is outlined may seem ambitious, but consider the alternative.

Advancing America's Workforce builds on our Association's advocated principles and represents the work of the leadership from state workforce councils in virtually all the states and territories. The Chairs spent a considerable amount of time

sharing ideas and opinions as we explored various solutions before coming to consensus on our proposed framework and recommendations. Although *Advancing America's Workforce* provides for a thorough discussion, the process is far from complete.

A major step in restructuring the nation's workforce development system requires the federal government to establish a national workforce investment policy — a coherent, consistent, comprehensive framework that connects existing public, private and nonprofit education and training programs and sets forth national priorities for directing resources throughout the system. Such a policy framework should support lifelong learning as a fundamental principle and be flexible enough to guide future responses to changes in the economic/social environment.

In addition to providing the background information to the restructuring need, the paper is divided into two major sections. One section discusses the eight major elements of the system's framework and the other, the five broad recommendations to move it forward.

In order to support these recommendations, we believe the system must define, accept and commit to certain elements. To that end, we propose the following as the system's structure:

(1) Purpose -- the point of commonality for the variety of stakeholders in the system.

(2) Guiding Principles -- convictions of the new vision.

(3) Customers -- defining our dual customer base, A) all youth and adults, and B) all employers.

(4) Products -- elements of the system that insure value is added.

(5) Governance -- the roles and responsibilities of the stakeholders.

(6) Features -- the new process — innovations to the market.

(7) Investment Resources -- the physical, financial and human resource pools that fuel the system.

(8) Quality Assurance -- outcome measures that determine achievement of the purpose and encourage continuous improvement.

The framework proposed in this paper calls for significant systemic changes in the structure, administration and operation of the workforce development programs in this country that builds on the best practices in the current system. Ultimately, it should provide individuals the tools they need to assume greater responsibility for their economic and social advancement and employers the means to access and train the skilled workers they need to remain competitive.

The Chairs Association believes that advancing the knowledge and skills of America's current and future workforce is fundamental to the nation's economic competitiveness today and in the 21st century. We have proposed a framework for restructuring the current fragmented system of employment and training programs into a unified workforce investment system with the goal of building a competitive workforce by investing in opportunities for lifelong learning. Responsibility for achieving this end rests with government, education, business, labor and each individual — it is a shared responsibility.

A world-class economy requires a world-class workforce!

At this time, *Advancing America's Workforce* is a discussion draft intended to engage interested parties in further exploring and reaching a consensus on a national workforce investment strategy. A world-class economy requires a world-class workforce! The workforce, its abilities and capabilities, will be one — if not the most important determining factor in our economic future. We ask our partners to work with us in developing and implementing a new national strategy to advance America's workforce. We can! We must! We will!

A STITCH IN TIME... DESIGNING A SEAMLESS DELIVERY SYSTEM

Marion Pines, Senior Fellow
Johns Hopkins University Institute for Policy Studies

At this moment in history, there is rare unanimity on at least one set of issues. The current fragmented, uncoordinated manner of legislating, funding, and delivering human services is no longer acceptable. It is inefficient, wasteful, and frustrating to the consumers of these services, both job seekers and their potential employers, as well as to the legions of institutional brokers attempting to stitch together logical and appropriate sets of services. A more coherent system is justifiable on this basis alone, not as a money saver. Over time, administrative efficiencies may generate savings, and if so, they should be reinvested in program activities. Taken in totality, America's workforce investment system is seriously underfunded, given our desire and need to be globally competitive.

It makes little difference if the discussion focuses on the 10 or 12 major funding streams or the more politically correct, 154; the issue is not which program "works." Within each funding stream, well designed, well managed and thoughtfully delivered sets of activities spell success for some groups of participants. Others fail for many reasons....too short term, inadequate supports, poorly trained staff, no follow-up services, poor labor markets.

Winners and losers should not be our obsession, nor is consolidation an issue to fight about. This is the moment to set the stage for sensible systems building in workforce development. I suggest we use available federal resources to focus on three major groups of people who need help and who, if helped, can add to our nation's productivity in a very positive manner. On the downside, if not assisted, these three groups will add to our expenditures.

Therefore, I propose an education and training policy framework with three subsystems:

- **funding and services grouped around youth both in and out of school to help them succeed in school and make successful transitions to careers;**
- **funding and services grouped to serve workers in need of retraining in order to make an effective job reentry; and**
- **funding and services organized to educate and train unskilled, unemployable adults for workplace entry and retention.**

It then becomes relatively simple to group the funding streams into more logical patterns. For example, for a youth subsystem, all programs should be grouped under the School-to-Work banner. If we're serious about redefining learning, developing more integrated curriculum, involving employers as partners in the learning enterprise, work-based learning for all students, including dropouts.....then school-to-work creates a practical policy, planning and implementing framework. Federal dollars emanating from the Elementary and Secondary Education Act, Perkins Vocational Education, JTPA Titles II-B and II-C, Job Corps, coupled with federal and state dropout prevention and recovery programs would give the youth development system two important strengths...strong funding and a commitment to activities that recognize the critical need for continuity of developmental services for youth.

Similar and obvious groupings come to mind for the other systems. The set of programs proposed for integration in the Administration's 1994 Reemployment Act make perfect sense for workers needing retraining. A combination of JOBS, JTPA Title II-A and perhaps Vocational Rehabilitation would make sense for currently unemployed and underemployed adults. **This brief overview is not intended to examine each and every funding stream but rather to present a paradigm for the organization of funding and program expectations.**

Governance of such integrated systems is obviously a major issue. **I propose building on the growing base of state and regional workforce investment boards,** quality councils, labor management boards...or the other titles that describe the growing phenomena by which states have begun to take control of disparate programs and make policy sense of them. In all cases, these state entities are

As we rush to new paradigms and new forms of funding, such as block grants, it will be critically important to spell out an appropriate role for the feds.

characterized by public/private partnerships, usually chaired by private sector leaders and strong interagency functional management teams. In many states, these state collaboratives have equally strong regional and local counterparts. **For maximum accountability, dollars need to flow through, not around, these policy and planning mechanisms.**

Many of these state and local areas are working hard to make the current non-systems more user-friendly by developing one-stop intake, assessment and case-managed resource brokering for individuals and families. This is very painful process, given the current legislative and administrative morass. While the Congress debates various legislative proposals and various proposed commissions weigh the pros and cons of who shall live and who shall die, immediate relief is needed from the many barriers to a seamless system. The policy paper distributed by the National Governor's Association entitled Bring Down the Barriers has been collecting dust

long enough. The collaborative process would receive a powerful jumpstart if a congressional workgroup would take that report seriously.

As we rush to new paradigms and new forms of funding, such as block grants, it will be critically important to spell out an appropriate role for the feds. We should not overreact against too much regulation by "putting the money on the stump and walking away." We are talking about public money that should be subject to public accountability. Who should be served....what outcomes do we have a right to expect....what data must be collected in order to measure performance...what fiscal standards must be maintained....are a few of the basic federal responsibilities that cannot be abdicated.

These are both challenging and scary times. There is a rush to change. We all have an obligation to see that the changes will bring improvement, not merely change for the sake of change.

A LABOR LOOK AT JOB TRAINING IN 1995

Markley Roberts, Economist
AFL-CIO Research Department

America must wrestle with some hard questions. What is the federal role in education and training? What is the appropriate role for state and local governments? How do we assure lifelong education and training opportunities for the poor and disadvantaged as well as for middle class workers? What about training and jobs for welfare recipients? How do we get most employers to invest in training their current workers? How can we assure effective performance standards and accountability to the public and, thereby, determine the success or failure of new training systems?

All workers should have opportunities for education and training to get jobs, to keep jobs, and to get better jobs. All workers employed and unemployed, dislocated and disadvantaged, and all others should have ample opportunity for more basic education, more basic skills improvement, training, retraining, upgrading, and upward mobility. Training allowances and income support should be available for workers in training programs.

Workers want more training to move up the ladder to higher skills and higher pay. This upward movement is good for workers and good for America as it faces global competition and endless technological change.

But employers must recognize the need for restructured high-performance workplaces where educated, trained, skilled workers are empowered to participate and make their full productive contribution.

Full and continuing labor participation, labor involvement, and labor input are absolutely essential in all training related areas. The participation of workers and their union representatives makes for better quality in workrelated education, training, and skill standards. In addition, such participation is vital because workers are those most affected by the results of training and skill standards.

Trade unions have important responsibilities for supporting, protecting, and promoting training and education programs for union members and potential members. But employers and local, state and federal governments also must give more adequate support to jobrelated education and training. Private and public sector cooperation in these areas is desirable and necessary, and labor organizations should have an equal voice with employers in such cooperation.

Union related training programs are successful in large part because workers have an equal voice through their unions in determining what kind of program there will be and how it will operate. Furthermore, good worker training and education are closely coordinated with larger workplace policies and practices that govern pay and other benefits, career ladders, job classifications, and all other aspects covered by the collective bargaining contract.

Any new legislation in these areas should create and assure opportunities for labor's participation as a full partner and should protect labor standards. It should establish a system of joint labor-management committees to plan, design, and monitor all workplace education and training programs. Where workers are represented by unions, the unions should select the labor members of these joint committees. In nonunion settings, workers should be selected by secret ballot elections. The existing successful apprenticeship system, including all training in the construction industry, should be specifically excluded from any new consolidation program.

Training allowances & income support should be available for workers in training programs.

Dislocated workers need more help, especially those displaced by government policies in trade, defense downsizing, and the environment. Benefits and standards should be raised, with the aim of providing all displaced workers with the necessary training, income support, and placement services to carry them through to their next job. Trade Adjustment Assistance should be retained as a distinct program with substantial improvements in benefits, eligibility, and funding. The 1988 advance notice WARN law should be amended to

give more notice and more help to workers dislocated by plant closings and mass layoffs. Unemployment Insurance should be the first line of defense for jobless workers, but the present UI system needs drastic reforms and improvements.

The AFL-CIO supports the planning and implementation effort now underway in many states to help students prepare for work while they are in school, as long as these programs do not interfere with basic academic needs. Many AFL-CIO affiliates are already involved in such programs. School-to-work transition programs should include safeguards to protect broadbased educational goals, such as linking student participation to academic achievement. These programs should not be disguised subsidies for employers. Labor consultation and labor participation are essential in planning and implementing these programs.

A revitalized and accountable Public Employment Service, bolstered by a requirement that employers list all job vacancies with the Service, should be the centerpiece of efforts to upgrade the assistance provided to unemployed workers to update their skills and find new jobs.

America also needs a reformed welfare program, with training, education, and jobs for those who want and need steady employment to escape from the cycle of poverty and welfare dependency. It is vital for social justice and social cohesion that these jobs be newly created and fairly compensated and do not displace incumbent jobholders.

Training without jobs at the end of training is an exercise in futility which can only breed more negativism and more cynicism about training. Therefore, full employment should be a top priority of economic policy. Jobs at fair and decent pay should be available for every person who needs and wants a job.

In addition to jobcreating fiscal, monetary, and trade policies, community service, community facilities and infrastructure programs at the local, state, and federal levels can make significant contributions to full employment and, at the same time, raise the nation's productivity.

There are no simple solutions to the nation's training, education, and employment needs, but the AFL-CIO will continue to press for programs and results that will be fair and effective.

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SECTION TWO: PRACTITIONERS

YOUTH PERSPECTIVES:

Voices From the San Francisco Youth Coalition

[Youth participants assisted with writing by Glenn Eagleson, Kristen Bacher, Gary Quizon]

"It's always those same old adults who make all the decisions."
-- youth, age 14

The San Francisco Youth Employment Coalition convened a group of young people residing in various neighborhoods who participate in federally-funded employment and training programs to discuss some of the current legislation being proposed. Ranging in age from 14 to 18, the group was eager to share their opinions and interests in their futures in the hopes they would be heard. This paper is a result of the discussions which convened the key issues of the proposed legislation. We encouraged the groups to go beyond current policy initiatives to offer insights on how they feel current and future programs could work better for all kids.

INTRODUCTION

American culture, particularly its youth culture, has changed profoundly in the past two decades. While today's adults may identify issues of crime and violence, poor education, or lack of recreational and enrichment activities when discussing today's youth, we often have little insight into the real world inhabited by young people. We fail to grasp the enormous limitations on their movements created by an environment of violence. We do not understand the desperation which many youth face each day. We negate the importance of peers in providing support and security when parents are working, not available or overwhelmed. While we pay lip service to these problems, we are still prone to assume the "if I could do it, then you can do it."

In reality, however, the prospects for young people today who grow up in poor, middle, or working-class families are greatly reduced from twenty years ago. The entry level workforce for adults with few skills and limited education is often limited to the service sector. For young people with these barriers, legal opportunities for employment are often far outshadowed by those available in subeconomies. Survey after survey of young people throughout every neighborhood in San Francisco lists 'more job opportunities' as the number one priority of young people.

Yet, as politicians inside the Beltway make policy to address the needs of young people, the voices of those directly affected by these decisions are seldom heard. It is imperative that policymakers listen to young people as they attempt to tailor policy to meet the real needs of today's youth. It is also critical in demonstrating commitment to youth through the myriad of policies and programs which impact their lives and the communities in which they live.

"Kids are different from adults and have different needs."
-- youth, age 16

"If everyone's in one place, nobody gets good service."
-- youth, age 17

'ONE-STOP' CENTERS: CONCERNS ABOUT IMPACTS ON YOUTH

The concept of a one-stop shopping model to serve both adults and youth fails to address the complex needs of youth living in an urban setting and disregards the needs of youth as youth. Young people are concerned that a large service center will not provide 'youth-sensitive' service to young people as they attempt to access jobs. Current large, bureaucratic, multi-service centers do not adequately provide

the type of individual assistance and support which many young people need in their first years of participation in the labor market. If the proposed legislation creates large "one-stop shopping" centers of this sort, which will serve both youth and adults, we young people believe they will not work for us for several specific reasons:

(1) Referral/Recruitment Barriers For Youth: Since young people often feel that they cannot trust adults, especially those with power, they will take the word of a single peer over the words of a dozen counselors or teachers. Word of mouth is the single greatest recruitment tool. If one young person has a negative experience at a large center, this can create a ripple effect, keeping them and their friends from using these services again. This is especially damaging if this center is the only game in town.

(2) Need For Programs Which Are Targeted To Youth: If the center does not offer other programs which attract youth, they may never come through the door. Programs which attract youth are different from those which might be utilized by adults. While young people may be serious about employment, they are also attracted to programs which provide social, educational, and recreational activities which provide experiences they are not getting at home or in school.

(3) Non-user-friendly environment for youth: Public institutions which operate on a 9 to 5 workday are unfriendly to youth by design. Most young people are in school during these hours and after a full day of school followed by an often long commute, they encounter adults who are tired and ready to end their work day, not take time to work with someone just entering the labor market.

"Youth need people who they feel they can trust."

-- youth, age 17

"People here keep working with you. They talk to you. They take you through it. They guide you. They have some understanding of what our situation is."

-- youth, age 18

(4) Need For Youth Relationships With Caring Adults: Young people are often slow to trust adults at all, but are more likely to develop positive relationships with adults who come from their communities, who they believe have shared experiences, and who they have an opportunity to get to know over time. A centralized bureaucracy would not offer these opportunities for getting to know one another. Bureaucracies themselves often mirror the exclusionary policies of the culture which young people see themselves having no place in.

JOB DEVELOPMENT FOR YOUTH

"Youth aren't taken seriously by adults."

-- youth, age 15

The perception is that when youth are competing with adults, adults get the jobs. Young people do not feel they are taken seriously, a concern which deepens if there is a possibility of selection or exclusion based on race. Because of this, many often feel they must create 'a persona' in order to get hired which does not accurately reflect their true self. They don't feel they can be honest about their skills and experiences which are often limited or undervalued, leading them into situations which set up for failure. In addition, many have trouble asking for help or expressing their needs for fear of rejection. Young people are often unaware of their own best qualities: energy, enthusiasm, and openness to new things. Unfortunately, many employers resist acknowledging the importance of these qualities. And bureaucracies are hopeless at it, falling back on impersonal forms, objectifying experiences to title, salary earned and duration of employment. On a computer form, a hard-working high school student with one part-time job reference from an after-school job just doesn't stack up against a senior in college in the eyes of an employer.

Teenagers looking for a first chance are not adults, but they're not children either. While they are ready to accept more responsibility, adults are often reluctant to give it to them. They are given jobs which are rudimentary, which do not utilize their talents or else limit their expression. While young people are willing to work for low pay, they want to be given positions from which they feel they may benefit. Unless new bureaucracies specifically designate jobs for young people and work with employers to create jobs which could be filled by a youth, kids feel they will never be successfully hired.

STOP LABELING YOUTH BY INCOME, RACE, ETC.

"They want to know too much of your business. Why do they need to know about every member of your family. Some kids aren't going to feel comfortable telling why they don't live with their mother."

-- youth, age 16

Young people deeply resent having to share personal information about their families on government-generated forms or to officious strangers. They are not applying for work as a "low-income youth" or a "high-risk youth," but as a young person who wants to be given a fair chance. Currently, applying for employment training programs funded with federal job training funds requires young people to identify their ethnicity and their race. Young people find this insulting and demeaning. "Picking a certain color puts you in a box." In addition, they fear this information will be used against them, limiting their opportunities to "This is a job for a poor Black youth," "This is a job for a poor Latino," "We don't want to hire any more Yellows," etc. They resent the designation by specific color on the JTPA forms, believing that no one fits any of the categories and that the entire section is inherently racist and offensive. Many also felt that saying that you were white would automatically get you ahead. One 17-year-old summed up the group sentiment by saying, "We should all just be 'human.' "

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JOB TRAINING REFORM, YOUTH DEVELOPMENT & YOUTH CORPS

Andrew O. Moore, Director, Government Relations and Public Affairs
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Youth development and program comprehensiveness are key watchwords and important values to keep in mind throughout the current phase of efforts to reform and consolidate the job training "system" for youth and young adults. Sincere reform efforts must grapple directly with one of the omnipresent questions that confronts the job training field, namely, "what works for out-of-school youth?" In this context, explicit legislative preferences and incentives as well as targeted demonstration, expansion, and replication initiatives should secure a firm, high place in the training continuum for youth corps programs.

The term "youth corps" has filtered into the job training world with increasing regularity — in the 1992 JTPA Amendments, for instance — in no small part because youth corps now play important roles in several states' job training systems. Experience shows that youth corps can meet and exceed JTPA performance standards. Prospectively, corps also meet many of the program standards outlined in the recent National Youth Employment Coalition report, "Toward a National Youth Development System," which emphasizes the need for long-term, coherent services.

What are youth corps, how do they work for out-of-school youth, and why are they worth special emphasis in a reformed job training system?

A youth corps is a unique type of social program that uses community service as a strategy to combine and promote youth development and workforce preparation. Encompassing programs variously known as conservation corps and urban service corps, youth corps are state-of-the-art comprehensive programs that provide participants — "corpsmembers" — with full-time paid work experience, job readiness training, and basic and life skills education for up to one year. Youth corps embody **developmentally appropriate job training practices** such as the use of closely-supervised 8-12 person crews to foster teamwork, problem-solving, critical thinking, and communications skills. The crews undertake a wide range of community service projects, so that corpsmembers experience several types of occupations while serving in the corps. Corps staff select and plan work projects to enhance **contextual learning,** and staff receive training in methods to reinforce the connections between work and learning. Most corps address corpsmember development and workforce preparation through individually-tailored pre-GED, GED and college credit courses, and life skills classes, for eight to 15 hours each week.

Furthermore, youth corps are **performance- and output-oriented;** many corps operate as small businesses that carry out projects that would not otherwise be done for public land-managing agencies and nonprofit organizations, in exchange for payment or in-kind contributions of education and other services. Such projects develop marketable occupational skills, and provide corpsmembers with the opportunity to give something back and achieve recognition for making a positive, tangible contribution to their community. Youth corps have measurable impacts for at-risk youth participants; research conducted by Public/Private Ventures concluded that low-income corpsmembers increased their earning power following participation in the corps.

In total, over one hundred youth corps now operate in 38 states and the District of Columbia, and serve some 28,000 young people each year through year-round and summer programs, with support from federal, state, local, and private funding sources. Fully half of all youth corps, in 24 states, currently receive some support from JTPA, and many others have expressed interest in establishing or enhancing linkages with job training programs. Relationships between corps, JTPA, and other components of the current employment and training system, such as JOBS and the Job Service, vary considerably. In Montana, for instance, a collaborative effort among SDAs resulted in the pooling of resources and funds to develop a coordinated corps programs with a nonprofit statewide administration. Elsewhere, in Florida, New York, and Michigan, individual PICs and SDAs have adopted the corps model as a service delivery approach for a segment of their service population.

Over one hundred youth corps operate in 38 states & the District of Columbia, & serve some 28,000 young people each year...with support from federal, state, local & private funding sources.

In a few states, such as Pennsylvania, Colorado, Missouri, and Virginia, the state JTPA coordinating agency has encouraged the growth of youth corps by providing training and seed grants to PICs and SDAs. However, it is important to point out that linkages to date have come about the hard way, with some corps programs waiting their turn for several years to become part of a given locality's job training agenda, succeeding only in obtaining contracts to operate summer youth programs, or advancing only because of particularly strong, committed leadership in the Governor's office or agency heads.

Through reform and consolidation, the federal government could play a key role in advancing effective, comprehensive programs, including youth corps. If job training programs are funded through block grants or another means, federal grantmakers could:

1) Provide preferences for certain programs or components, such as youth corps, crews, and integrated work and learning;

2) Provide incentives for states that already support a limited number of comprehensive programs, such as youth corps, to expand or replicate such programs;

3) Provide direct support for peer-to-peer, state-to-state technical assistance to assist in revisioning and retooling existing programs into those of a more comprehensive nature;

4) Rework cost effectiveness incentives to ensure that they do not push programs toward quick fixes;

5) Encourage expansion of programs that meet the needs of multiple state and local agencies, i.e., conceive of training programs that lay the groundwork for careers in environmental management and testing as a partnership between conservation and job training agencies; and

6) Utilize program impact measurements that take into account the effects on participants, and the effect on communities, e.g., of community service projects carried out by participants in youth corps.

Ultimately, the tangible proof of the potential for federally-supported expanded linkages between job training and youth corps lies in local communities, where states, municipalities, SDAs, PICs, and corps have ten years' experience in working together for mutual benefit. Attention to building upon such hard-won success would serve the current "reform and consolidate" movement well.

APPROACHING A NEW ERA OF JOB TRAINING

Dorothy Stoneman, President
YouthBuild USA

INTRODUCTION

As the government is catapulted into a new era of rigorous self-examination and reformulation, I hope we will prune what is dead or dying, coupled with vigorous promotion and protection of what is alive and promising.

I am convinced that the largest threat to our civilization is internal, caused by the ever widening gap between rich and poor, and the wasted potential of the 25% of our citizenry who are poor. Their inherent productive capacity, as well as their role as a potential market, are consistently undeveloped.

The intelligent use of government resources in addressing this threat is absolutely essential. There is no indication in any country, that a pure market economy, with no government intervention, will ameliorate the spread or the severity of poverty. Government policies and government use of resources increase or decrease poverty directly.

The broad rhetorical attack on the government's role since the Great Depression in fighting poverty and in developing the full creative and productive potential of our workforce is entirely unhelpful and largely inaccurate. This is not to say that everything the government does is equally valuable, nor to deny that large bureaucratic, federally-funded efforts have often sunk themselves.

But the application of federal resources represents moral leadership, reflecting the conviction that every person is precious, a potential contributor to society and worthy of appropriate investment, and is critical. Further, the government has the power, through its money and its laws, not only to provide moral leadership, but to liberate the committed energy of all our people to solve the problems facing our communities. Problems can be solved. All problems yield to the application of intelligent attention combined with adequate resources. There is nothing inevitable about poverty, violence, crime, and unemployment.

Thoughtfully using the power of money and law is not the same as throwing money at a problem. We propose investing money carefully to achieve desired results. This works in employment training, just as it works in all fields of endeavor.

YOUTH PROGRAMS

The dilemma for the youth employment field is that there are too many people saying, in one form or another, "nothing works." What they mean is, "no short-term, lowcost intervention has yet been proven to reverse the effects of many years of poverty and overcome the effects of an unwelcoming job market for a significant percentage of severely disadvantaged youth, enabling them to earn substantially more than other young people with access to roughly similar opportunities and obstacles."

But we know through practice that there are things that do indeed "work." There are programs which attract at-risk young adults in droves; retain a majority of them full-time for at least a year; give them the skills, attitude, and educational boost that can enable them to get decent jobs or go on to college; and in general, inspire them to embrace a positive way of life and an active role for themselves in the community.

There is no point in every locality repeating the expensive learning curve that has already taken place elsewhere.

There are programs that win the overwhelming approval of the participants, their parents and neighbors, as well as the

local business, church, and political leadership. These programs teach positive values, hold high standards, and produce visible results. They should be a permanent part of a rich opportunity structure for young people of all backgrounds.

For a program to "work" in this respect, YouthBuild USA has found that it must possess certain qualities. Whatever the specific programmatic components, they must be delivered in a context which is dramatically different from what the trainees have experienced before in failed programs or institutions. It must be the direct opposite of the usual environment for low income young people. It must not bear any resemblance to the usual school or a prison, but must be a place of high learning, respect, and deep caring within a positive peer group. **It must be comprehensive, creating a healthy minicommunity replete with opportunities that have been missing elsewhere; it can't be a program fragment.**

Over a 16-year-period, we at YouthBuild USA have extracted the essential qualities of successful programs for disadvantaged youth. To "work," a program must demonstrate:

- Profound respect for young people's intelligence.
- Power for them over their immediate environment.
- Protection, as much as possible, from disaster, or at least the support necessary to cope with it.
- Meaningful and important work.
- Real, patient caring for their development.
- Actual teaching of skills.
- Consistent positive values.
- A firm and loving challenge to stop self-destructive behavior and change negative attitudes.
- Family-like support and appreciation from peers and adults.
- High standards and expectations.
- People who have overcome similar obstacles who can serve as inspiring and caring role models.
- An understanding of the proud and unique history of the young people involved in the program.
- Heightened awareness of the present day world and their important place in it.
- A path to future opportunity.
- FUN!
- Real concern and action from the agency about changing the conditions that have affected the young people and the people they love.

BLOCK GRANTS & VOUCHERS

There is no magical delivery system that will prevent abuse, eliminate bureaucracy, and insure quality.

There's no ideal level of government which guarantees sound decisions made in the best interests of its citizens. The state level is not necessarily better than federal, nor municipal better than state. It depends on the particular dynamics at the particular time and place.

There's no substitute for thinking, for evaluating what is really going on. There's no way to avoid systems of accountability, setting of standards, some central definition of the vision, the purpose, the parameters, and the outcomes. There's no way to avoid the regular need for pruning, and the ongoing need to unleash creativity.

There is a need for balance. The delivery system set up by the Corporation for National and Community Service is a particularly good one. They set up a three-tiered system; block grants to the states on a formula basis, to be spent by specially appointed commissions with a mission-based charge; additional funds available to the states on a competitive basis by proposal from the state commissions; and direct federal grants available to both government and nonprofit national entities to produce replication networks of outstanding programs. The corporation set the priorities and the parameters, and selected the grantees from these three levels. This appears to be working in balancing federal direction with local initiative, accountability with freedom.

The federal government must play a role in insuring that funds are spent in the most effective way possible, and in sharing knowledge and information so that the field advances as rapidly as possible. There is no point in every locality repeating the expensive learning curve that has already taken place elsewhere. We must build on past work.

Personally, as I see the government preparing to block grant HUD-funded Youthbuild programs, so far with no central direction or support, I think it's a shame. It would be a tremendous loss of a coordinated national solution to a set of problems that are at the core of our national crisis.

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DEVELOPING CAREER CENTERS FROM THE INSIDE OUT

John Dorrer, Senior Vice President
Training and Development Corporation

OVERVIEW

The Department of Labor is advancing the onestop career center concept as the next generation of labor market intermediary services. It is a concept long overdue. After 30 years of piecemeal employment and training program implementation, we are left with fragmented services delivered by professionals whose time is consumed by the complex details of eligibility criteria, regulations and administrative rules whose rationale often defies explanation.

Americans who are seeking their first jobs or those who are moving from one job to the next confront a lotterylike system in which benefits and services are distributed more as a matter of chance than of reason. Even those who are fortunate enough to win this lottery and land a job usually experience frustration and disappointment through most of the process. In fact, a 1993 Labor Department study found that those seeking the government's help in securing a job are "given inaccurate information about prospects for employment and provided with little guidance that can help them find a job."

Employers, too, lack confidence in the public systems of labor exchange and employability development. As a consequence, they rely mostly on nonpublic systems to locate and select employees in spite of the billions of dollars of expenditures annually for public employment and training services. This acknowledged failure has left the two primary constituents of the system -- employees and employers -- deeply unsatisfied with its performance.

The career center concept provides a single hub where job seekers and employers are able to receive the services they need smoothly, competently, and effectively. Visionaries imagine a new delivery system that would provide access to anyone who needs help in getting a job. Ideally, the career center would bring existing programs and agencies offering related services under one roof and provide high quality, responsive customer service. Information needed to support employment and career decisionmaking would be delivered through highly integrated computer networks that would offer direct access from multiple locations, including the home, workplace, shopping malls and schools. Job seekers and employers would flock to the career centers because of superior performance, responsive services, and widespread access.

Not surprisingly, the debate on how most effectively to create this alternative is centered on issues of governance, control and bureaucratic positioning among the multiple parties who currently are stakeholders in the system. The more fundamental question of how to build the new service delivery systems to the highest standard of customer satisfaction and overall effectiveness has yet to be advanced. There is neither agreement on who will operate career centers nor agreement on how such delivery systems should perform. Yet it is clear that if we are to build a high performance public labor market intermediary system that enjoys support from job seekers and employers alike, bureaucratic streamlining or simple agreements for cooperation among competing bureaucracies will not be enough. The challenge this time is more fundamental.

Traditional concepts of employability development and job search methodology are no longer useful in today's American economy. The combined forces of rapid technological change, freewheeling foreign competition and the often brutal consequences of business and institutional restructuring have created massive dislocation in our labor markets and made past trends poor predictors of the future. Our ability to effectively assist the millions of workers in transition in the labor market today will help determine our competitive qualifications as a nation both today and tomorrow. Those who seek work do not care about issues of governance and bureaucratic struggle that dominate the reform debate. They want competent, professional and efficient services that will get them jobs and help them advance in their careers.

A CLEAR MISSION

If a credible public labor market intermediary system is to exist and enjoy broad-based support, its mission must be clearly defined and its benefits be readily apparent to job seekers and employers alike. For those looking for work, the career center has to provide access to employment opportunities across the spectrum of occupations and industries found throughout our economy. It also has to provide professional services and support to help job seekers get ahead in a volatile labor market.

Career centers must be staffed by highly trained, effective professionals who can guide job seekers to appropriate opportunities.

On the other side of the equation, employers must be confident that their reliance on career centers will give them access to the most qualified workers available, and that job entry and performance requirements are thoroughly understood by those who will be aiding in the search for the workers they need.

CORE INGREDIENTS: PEOPLE, PROCESS & TECHNOLOGY

Career center services must add significant value for both employers and job seekers. Bureaucratic realignment, service streamlining and bold declarations will not achieve the kind of fundamental reform needed in the system. The focus of the career center must be to combine the core ingredients of people, process and technology in building a successful services delivery platform.

As with any successful enterprise, people are at the core of the career center model. Career centers must be staffed by highly trained, effective professionals who understand the nature of work in the new economy and can guide job seekers to appropriate opportunities. Their roles as managers, mediators and brokers between employers and job seekers is critical to the success of the career center. Competency standards and professional certifications must be adopted for those who will do this work.

To respond to the diverse needs of job seekers, career centers will need to accommodate multiple service delivery processes and offer clear paths to help job seekers reach their goals. For example, many job seekers would simply welcome access to needed information so that they could conduct their search in a self-directed manner. For them, a road map to aid their navigation through information systems and databases would be adequate and desirable. Other job seekers may want to consult experts from time to time to validate their decisions or to draw support.

However, among some segment of the job seeking population, more direct and persistent support will be required to guide this group through the process of finding and securing a job. Services provided for conducting assessments, assisting in the development of reemployment or career plans, resource brokering, plan management and direct job placement support must be effectively integrated with an efficient framework of customer service management.

Because career centers must be able to deliver and manage high volumes of relevant information efficiently, computer-based delivery modes must be employed along with a wealth of multimedia materials, books and tapes that can educate and inform in support of the centers' mission. Effective organization and delivery of this information will help to define a successful career center to job seekers. For employers, the application and integration of computer technology and online databases will be even more essential as they increasingly rely on such methods for doing business in their own workplaces.

KEY SERVICE COMPONENTS

Career centers must provide assessment, plan development assistance, support of personal development strategies, and job placement effectively integrated with a customer service management function in a single location. High quality information, expertise and connectivity among these components will determine the overall service effectiveness of the career center.

Assessment. Assessing customer needs, strengths and limitations against predetermined job performance standards is the foundation of any career development or reemployment strategy. There are multiple, complex dimensions in conducting effective assessment.

- **Job seekers need to be qualified.** While most workers have marketable skills, their knowledge of how to match their skills to an effective job search is often limited. A career center should be able to assess the job seeker's qualifications as a starting point for successfully searching for a job.
- **Job seekers should be able to assess their education and experience in relation to their employment goals.** Dramatic changes in the labor market have led not only to new employment opportunities but also to increased performance demands for millions of traditional jobs.
- **Skills and competency assessments are fundamental to job qualification and career advancement.** Traditional definitions of job performance criteria are no longer adequate as employers place greater emphasis on underlying competencies and worker qualities along with new and expanded definitions of skill standards.
- **Assessments of aptitudes and interests offer the first-time job seeker or those seeking to make fundamental changes in employment direction a basis for making informed choices.**
- **Effective assessment must include an examination of the personal situation of the job seeker.**
- **Job seekers need to explore the labor market thoroughly by understanding demands and trends, the availability of jobs, and hiring requirements.**

Overall, assessment represents a comprehensive analysis that synthesizes the multiple dimensions affecting employment choice and career advancement.

Developing a Plan. Once the dimensions of employment choice are understood, a viable strategy for pursuing goals and objectives must be developed. The reemployment or the career advancement plan serves as the primary guidance system for the job seeker. Components of the plan include clearly defined, attainable goals and objectives. The strategy must be based upon an analysis of gaps that exist between the requirements of the job seeker's goals and the findings of the assessment process. Resources needed to bring the plan to fruition must be identified with service sequences and schedules of participation clearly set.

Brokering Resources in Support of Personal Development Programs. Career centers must serve a wide variety of clients ranging from job seekers who may need minimal help with a resume to those who require intensive investments in education and training. Career centers must offer these job seekers access, resources, guidance and support to assist the job seeker in meeting the goals and objectives of the plan. Because a complex landscape of services, programs and institutions confront the job seeker, brokering, information and support services must be available to aid the job or career transition. Often, such transitions have profound impacts on individuals and their families. Therefore, support services that help individuals cope with the difficulties of navigating through the maze of available resources should be an integral part of any personal development program.

A career center should be able to assess the job seeker's qualifications as a starting point for successfully searching for employment.

Job Placement Assistance. No matter how intensive the services that are provided through public employment and training programs, their primary mission is to help the job seeker land a job at the end of the

experience. Beyond the basics of resume preparation or the development of interviewing skills, placement assistance means providing the job seeker with information and access to real job opportunities. Career centers must convince employers to list available jobs with the centers and demonstrate competence in making appropriate referrals. To succeed in this endeavor, career center professionals must be equipped to understand the nature, content and requirements of work in the current economy and for specific employers. They must be able to relate this knowledge back to the job seeker so that the job seeker will gain advantage in conducting a job search.

A Foundation of Customer Service Management. If career centers are to fulfill their mission, effective and efficient customer services are essential. Service paths that are clear and direct must be provided to customers from the outset. Scheduling, tracking and recording of customer service plans and sequences are basic functions for managing progress on the service path. Qualifying individuals quickly for the disparate array of services and resources available is another important function that career centers must provide as a matter of routine. Databases listing education, training, support service and employment opportunities must be readily available to career center professionals and customers alike. Connectivity and communications between institutions and services delivery systems that make up the career center's extended platform of resources are assumed in the proposed design. All of this activity demands intense and integrated automation and the skilled use of computers.

PUTTING IT ALL TOGETHER

The career center concept promises to achieve a more efficient and effective means for the delivery of employment and training services to job seekers and employers. Its proponents see a highly integrated system offering expert services to all those in need of information and support to land a job.

Although the career center concept is rich in promise and intuitively compelling, creating career centers in practice will demand fundamental reform and reconstruction of our public labor market intermediary systems. The sprawl of current programs and delivery systems needs to be streamlined from the perspective of job seekers and employers who are, after all, the system's primary constituents and customers.

If the move to the career center concept is to provide for the kind of services delivery system that is envisioned by reformers, a more detailed articulation of the design and a more indepth formulation of service standards are required. Absent substantive specifications, we will run the risk once again of embracing the cosmetics of reform without achieving the end result that is desperately being sought by job seekers and employers alike.

The career centers we are seeking to develop will require greater qualification and emphasis on subject and content expertise on the part of professional staff who thoroughly understand labor markets and job qualification in the new economy. It will require that we dislodge professional and organizational cultures that have evolved over the past 30 years whose primary function is to carry out administrative rules and enforce regulations.

For the transformation to the new public service enterprise to be effectively executed, decision makers will have to rise above the intense political games that surface whenever choices have to be made between competing bureaucracies. Intensive investments in needed capacity will also be required. But before such investments are made, the broad vision of career centers must be converted to detailed standards and specifications describing performance and service excellence.

If we can put precise and measurable performance standards in place, overcome bureaucratic inertia, streamline existing programs and resources in the service of users and always keep in mind the overall concept and mission, we will indeed be able to create the most powerful next generation labor market intermediary service delivery vehicle the one stop career center.

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CHANGING OUR APPROACH TO FEDERAL JOB TRAINING POLICY

Lori Strumpf, President
Strumpf Associates & The Center for Remediation Design

As we approach the 21st century with less than 2,000 days before the year 2000, the country is facing a sea of change -- from changing technologies that most of us cannot even envision, to the changing nature of the way work is organized to new definitions of a job. Our education and job training policies and programs must be released from the shackles of categorical programming if we are to meet the human investment challenges of the 21st century.

Programs that prepare people for work are often funded through the Job Training Partnership Act (JTPA), Carl Perkins Vocational and Technology Act, Job Opportunities and Basic Skills Act (JOBS), and the Elementary and Secondary School Act. Most programs manage a combination of funds available from the sources listed above. While these programs are the largest, there are over 150 employment and training programs funded with $24 billion federal dollars (FY 1993) and delivered by 14 federal agencies.

To paraphrase Vice President Gore, "we create smokestack programs, evoking a series of free-standing attempts to address a series of problems without understanding their interconnectedness." It is time for the system of education and training to think hard about how to direct their energy toward meeting customer expectations for efficient services and how to design a community of services that open doors for everyone.

One of the challenges of creating a more cohesive system of workforce preparation in this country is in overcoming the lines of demarcation that are deep and wide due to over 20 years of fragmented funding streams which promoted building fragmented systems. In fact, it is a misnomer to think of employment and training as a system. It is, in fact, made up of many programs operating within many different systems.

Recent legislative initiatives which make it a priority to try and organize the "workforce development" system are moving along the right track. One such initiative, the creation of Workforce Development Councils at the state levels, are engaged in efforts to try and create coordinated information access and services.

However, while most state level entities have a mandate to participate on these Councils, one of the largest providers of services, the vocational education system, may choose to participate or not to participate. If legislative proposals to consolidate employment and training efforts allow certain programs to remain untouched, then the effort will fail.

The goal of reform must be to reduce (or eliminate) conflicting regulatory requirements, fragmented service delivery, and redundancies within the community. The goal cannot be to reduce the number of people served or to reduce the amount of money it takes to serve them effectively. Economies may be obtained due to less fragmentation and redundancy, however this cannot be the goal. In fact, these savings -- if realized -- must be put back into workforce preparation so that more of the population can reap the benefits of quality education, employment, and training.

Even without legislative initiatives, many communities are trying to organize the access of services for the client customer. These communities are trying to ease the paperwork burden that the customer must assume because of differing eligibility requirements between funding sources.

To become more client focused, communities are trying an "any door is the right door" concept. This concept takes on many configurations -- from agency co-location to agencies maintaining separate places and providing the up-front activities of any agency through one agency's "door."

It is important to note that putting all agencies into one place is not the only configuration that creates an opportunity to integrate services. In fact, the only thing co-location often does is to reduce travel hassles for the customer -- reducing the need to go from one agency to another. While this is not unimportant, it cannot be the only outcome of co-location. Often co-located agencies are still separate in how they do things, even though they are in the same building.

Without co-location, an individual seeking education and training services

Our education and job training policies and programs must be released from the shackles of categorical programming.

arrives at an agency that is equipped to collect the appropriate information that determines eligibility for any number of training services. This can reduce the customers number of contacts with multiple agencies up-front.

Customers require quality services through courtesy, accuracy, reliability, efficiency, and timely action. The barriers innovative communities face in trying to integrate the service delivery structure to meet these requirements are many, including the lack of common technology to transfer information and the lack of flexibility in reporting and recording requirements that make customers jump through the same hoop (or a slight variation) more than once.

The consolidation efforts being introduced by Senators Kassebaum and Kennedy, consolidating many education and training programs into funding blocks, must be careful to allow for flexibility between the funded blocks.

To accomplish the goal of an integrated workforce preparation system that allows individuals efficient and timely access to quality training services, the following features must be the focus of any reform effort for all programs:

• **common input measures** -- intake and eligibility requirement for programs serving people at risk of not becoming productive citizens need to be as close as possible, rather than consisting of unique data elements (e.g. age breaks, income requirements, and program completion points);

• **common output measures** -- programs designed to increase the economic self-sufficiency of individuals should have a common set of performance measures that determine success; these should be devised to cross all programs and should be developmentally appropriate, taking into account the age and stage of development of the customer base;

• **common reporting requirements** -- this includes common definitions and ways to document who is in the programs as well as other accountability items;

• **common program standards for quality** -- criteria that identifies features (e.g. reliable service, quick response, focus on outcomes) of quality delivery of training and education should be established across programs.

It is these features that build bridges between and among programs. We are presented with a unique opportunity to use these elements as organizing mechanisms that facilitate integration, therefore assisting individuals within communities to get the services they need to become productive into the 21st century.

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EMPLOYMENT & TRAINING

Arnold Packer, Senior Fellow
Johns Hopkins University Institute for Policy Studies

Spend a little money for improving the system where the rubber hits the road — in the classroom or on the job. Quality education — including school-to-work — and quality training — whether it is JTPA or any of the allowable expenditures for the tax credit that President Clinton proposes — depends primarily on:

1. What is being taught (curricula);

2. How the training is delivered (teaching strategy, instructional materials, and instructional technology);

3. Who is doing the teaching and how well they are trained (instructors and those supervising work-based-learning).

Increased quality requires investing in curricula, in instructional materials, in instructors (for the classroom), and in supervisors (for work-based programs). Invest in these things even if the number of JTPA slots are cut in half or less. Do this painful thing because, presently, the slots are almost worthless for youth and only a little better for adults. (At least, that is the way I interpret the evaluation data.)

Consider, as a case in point, the Summer Youth Employment Program, the largest government-supported opportunity for work-based learning. **Our recent experience at Johns Hopkins University with SYEP convinced me of the importance of training those who supervise the youngsters at work.** While investing in such training will reduce the number of slots, the youth who are hired by SYEP will have a higher quality summer. Moreover, the value of the training should persist for subsequent summers if the same staff will again supervise Summer Youth employees.

In the 30 years under Department of Labor (DOL) control, we (and I include myself) have not come up with a way that significantly improves earnings. I guess that an analysis would show it would have been better for the poor over these years to have cashed out MDTA/CETA/JTPA and put the money in the Earned Income Tax Credit. Changing such things as eligibility membership of the Human Resources Investment Board and whether governors or mayors have control is futile unless, somehow, program quality increases. But quality will not improve without changing the day-by-day experience of enrollees in class or at work.

What makes good programs? Good teachers and follow-up surely are part of it. Look at Center for Employment Training (wellpaid teachers) and Strive (follow-up). CET also demonstrates that teaching strategies that emphasize teaching in context are important. Good curricula based on the forthcoming voluntary industry standards could be a big help; but teachers will need training and curriculum, and instructional materials will need developing.

Meanwhile, DOL knows nothing about curricula, and less about the training of teachers (DOL doesn't even know who is doing the teaching or how). There is no capital budget in JTPA programs to invest in computers or systems. Nor is there a teacher training budget. Yet teachers are the system's "front line" workers. DOL spends nothing on their own front-line workers (forget the federal bureaucrats making regulations and the local ones who try to get around them).

Industry standards and SCANS have a lot to offer as a curricular device. Technology-delivered instruction is likely to be the key to delivering this curriculum effectively and to training teachers. Reserving federal funds to promote R&D for these purposes, modeled after the Challenge grant program in the 1994 Improving America's Schools Act would be sensible. It is also important to motivate states to join together to finance such efforts. In any event, it would be a mistake to ignore what educational research and development has concluded about technology and teacher training.

Clearly, whether JTPA becomes a block grant or a voucher program, there will be less DOL control over training. But federal funds should support system-wide improvements in the elements that make the difference in the classroom or in work-based training. The process should start this fiscal year and continue in the inevitable new legislation.

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MANAGEMENT & SUBSTANCE: JOB TRAINING REFORM & ADULTS WITH LEARNING DISABILITIES

Neil A. Sturomski, President, National Adult Literacy & Learning Disabilities Center
Academy for Educational Development

There appears to be remarkable consensus among politicians, policy analysts, academics, and service providers that the current federal job training structure is unworkable.

But there seems to be an even larger issue: what is it we wish a federal job training program to accomplish? Who are the people we need to serve? What do they need? Fundamentally, what works?

In short, there are two problems. First, there is a management problem: what are we are doing? can we do it more efficiently? The Kassebaum and Goodling bills attempt to deal with this first problem by, in effect, combining funds from numerous existing programs into a smaller number of programs generally targeted at related issues. Again, intuition would suggest that combining related programs into a single administrative structure — or providing greater funding flexibility through waivers — should reduce management costs at the federal, state, and local levels.

At least as important, however, is the second problem: what are we trying to accomplish, and are we achieving our goals? The Goodling, Kassebaum, and Kennedy bills all recognize the need for substantive reform, and all three bills provide for advisory commissions to propose changes in the federal job training structure.

It is here that I direct a plea to any future job training advisory commission: while there is much good to be said of the various bills' emphasis on outcomes and accountability, we will be hard pressed to explain different outcomes unless we understand the variables. If we really want to know what works — and to make sure that best practices are widely shared — much more will have to be known about the participants in job training programs. In particular, we need to know the factors that have inhibited their learning and job training potential.

For example, the Urban Institute estimates that 15-30 percent of all JTPA participants, and 25-40 percent of all adults on Aid to Families with Dependent Children, have a learning disability. Learning disabilities is an umbrella term that encompasses a wide variety of disorders, including disorders in one or more of the basic psychological processes involved in understanding or using spoken or written language. These may be displayed in a faulty ability to listen, think, speak, read, write, spell, or do mathematical calculations. Clearly, these are skills used every day in every job.

In 1988, the National Joint Committee on Learning Disabilities, a group of learning disabilities experts, who represent the major national professional organizations in the field, included the phrase "may occur across the lifespan" in its definition of learning disabilities. These professionals, although previously perceiving this condition as a problem of childhood, now recognize that learning disabilities do not disappear when children leave school. Adults in jobs, careers, and job training programs have learning disabilities.

From a survey in the Journal of Postsecondary Education and Disability on current practices on learning disabilities in adult basic education (ABE), however, it is clear the lack of clarity in the definition of adult learning disabilities presents a barrier in dealing with three fundamental issues in adult education and literacy programs: prevalence, identification, and training. **Therefore, if we are to measure outcomes both accurately and meaningfully, we must:**

1) Provide screening tools for job training instructors to help identify adults with possible learning disabilities and lead these instructors to appropriate training interventions,

2) Provide transferrable skills that will give adults with learning disabilities the ability to move from one job to another without retraining,

3) Provide ongoing training for these instructors regarding learning disabilities and the use of strategies and techniques with adults with learning disabilities, and

4) Provide adequate technical assistance and other available resources for ongoing support.

The Urban Institute estimates that 15-30 percent of all JTPA participants have a learning disability.

Accountability and outcomes measurement are important for finding out what works. As a professional working with adults who have learning disabilities, I believe we will not be able to draw realistic conclusions about success and failure of our re-engineered job training programs unless we thoroughly understand the individuals who seek our services. Furthermore, without understanding individuals with learning disabilities, we will be unable to provide effective services through job training programs. In addition, we must know how to train individuals to transfer skills so that, as technology changes and jobs are redesigned, the individuals who attended job training programs will not again need training.

POLICY OPPORTUNITIES FOR TEENS IN AN ERA OF CHANGE

Andrew Hahn, Human Services Research Professor and Associate Dean
Heller Graduate School for Advanced Studies
Brandeis University

INTRODUCTION

Brandeis University's Center for Human Resources is just completing a review of Federal youth policies with a special focus on learning whether the policies are focused adequately on different age groups within the general youth population. They are not: we find compelling evidence that 10-to-15 year olds are not targeted in Federal policies. In fact, in our review of 188 separate Federal policies in Federal agencies, we found only one initiative that specifically targets early adolescents!

Funded by the Lilly Endowment, we call our project the "early adolescent policy audit." Our interest in the "age factor" is explained very simply. We observed from our research that many social problems are occurring earlier in young peoples' lives; problems are migrating down from older teens to young teens, in a disturbing pattern that has been not given enough attention in policy circles. We also took to heart the recommendations of many program managers who told us that it would be helpful if programs to prepare for employment/training/higher education began earlier, with students in the late elementary school years.

Since our interest in the Lilly project was on Federal policy, we decided to put our ideas about national policies into a description, a piece of prototype legislation. This helped us to think like policymakers and to put our policy ideas into concrete terms.

Two lessons can be cited from our experience as drafters of ideal legislation:

(1) If Federal policy really does give short shrift to one group of youth — early adolescents — then policies should be designated for this group to remedy the situation. Some advocates for older youth or others fearful of "balkanization" will likely resist this recommendation. Those who believe that we need to "promote [healthy youth development] not prevent" may be turned off by this strategy, since our focus on early adolescents is clearly an invocation of an old-fashioned idea, prevention. We just think it hasn't been tried yet in this country, with most youth policies emphasizing self-sufficiency starting too late in young peoples' lives.

(2) Our attempt to draft policy reveals that block grants are appropriate but only in areas where state and local capacity is appropriate. The policies that would comprise a block grant must be examined on a case by case basis. Youth policy will be poorly served by wholesale cleaning-up exercises in which clusters of policies are lumped together for no other purpose than to limit a number of federal programs or to reduce the Federal role.

THE HEALTHY FUTURES FOR YOUTH CONSOLIDATION ACT: A PROTOTYPE

Our Act borrows freely from a recently proposed Youth Development Block Grant Act (S.1746) suggested by many of the large youth-serving organizations. The Healthy Futures Act, however, diverges with our greater emphasis on state government, and most importantly, a sharper focus on the distinct needs of early adolescents.

The Healthy Youth Futures Consolidation Act is a national youth block grant strategy, starting with early adolescents, ages 9- to 15, and continuing through age 24. How would it work?

The Act would begin the purpose of the legislation: to encourage local programming to be developmental, broad-based, age and stage appropriate. It would also encourage the participation of young people in the design of programs. While the "hows" and "whens" of these choices would be left to local programs, participant eligibility, with respect to age, would be carefully specified. The prototype Healthy Youth Futures Consolidation Act would mandate tracking of participants by age. Most importantly, early adolescents, as a group, would receive special attention through the first part of the Act. Suitable age appropriate program services, identified in the full Brandeis report, would be cited in the language of the Act.

THE EARLY ADOLESCENT TITLE

The first Title of the prototype Healthy Futures for Youth Consolidation Act would support voluntary organizations and community groups with good track records serving youngsters ages 9-to-14. Some funding for this Title would be "net new" Federal dollars since, as our Lilly report documents, nothing like it presently exists in Federal legislation.

The funds for this Title would be allocated 70 percent to Youth Development Councils organized by the Governors at the State level (where they would largely pass through to communities); 25 percent to local Youth Development Boards who would receive the Funds directly; and 5 percent for Federal administration, to cover new responsibilities to uniform standards for defining youth, track participation and develop information systems. Funds would be distributed to States and local communities using formulae that gives weight to the size of the youth population and the scope of youth living in persistent poverty conditions.

The Healthy Futures Consolidation Act is a national youth block grant strategy, starting with early adolescents, and continuing through age 24.

THE OLDER YOUTH TITLE

The next Title would attempt to strengthen and coordinate the many youth policies for older youth distributed

throughout the Federal government. One current proposal from the Congress discusses separate block grant clusters in the education and training area, food and nutrition, and social services area — in other words, block grants organized around type of service rather than population. This strategy is designed to solve the "proliferation of programs" problem but it is not a population-based strategy, much less a youth-specific approach.

From a "youth perspective" such an approach reproduces the balkanization of the past. Instead of this approach, we would rather see the older youth initiatives pulled out from some of the existing education, training, housing, and social service areas and then block granted as "older youth" section of the Healthy Youth Futures Consolidation legislation. Since we believe that the older youth title should be placed mostly under the control of state government, with a requirement that the States measure success and return on investment, the specific programs to be included must be determined after an assessment of whether the current state capacity is strong enough to replace the Federal role. For example, in JTPA it might be argued that the State role has grown throughout the 1980s to a point where assuming leadership over block grants would not pose many problems. On the other hand, in a relatively new area of social policy for state government, such as community service where state councils are only now being established, including the service programs in the older youth Title could be a problem.

YOUTH DEVELOPMENT WORKERS

Other Titles of the proposed Act would stimulate the growth of the youth development field, focusing on its workers, knowledge base and exemplary community-based initiatives, especially for younger teens. Training the nation's youth workers is a topic that receives little attention in national policy, much less policies focused on early adolescents. But consider that nearly half of the nation's middle school teachers received no special training for their youth work with early adolescents (Scales, 1994). For community-based programs, other results show even lower levels of special training for workers (Hahn, 1993). **A national non-partisan, non-governmental body could be established under this proposed provision to develop standards for the youth development field and to help create accreditating mechanisms for programs and workers. A special focus on workers and sensitivity to "age and stage appropriate" programming would also be built into provisions and expectations for State and local "healthy youth futures" councils.**

CONCLUSION

Americans embrace the prevention concept when it is applied to pre-school children. Support for Head Start and other early intervention initiatives builds on the unassailable logic that it is best to nip problems in the bud, before they escalate and cost more later. Yet when it comes to youth, it seems as if we have given up on the prevention strategy. Even many youth advocates have dropped the language of prevention from their public rhetoric. Instead, in a well-intentioned attempt to avoid the stigma of problems associated with particular indicators of hardship, these advocates call for "promotion of healthy youth development, not prevention."

Our fear is that even this newest paradigm, which has so many advantages over past images used to describe program strategies for young people, does little to sharpen the distinctions among age groups of youth, distinctions which are necessary to make in clear and tough policy terms.

The Healthy Futures for Youth Consolidation Act attempts to make these tough choices, by focusing attention on age groups where prevention can really occur, by blending funding streams, and by reducing, or more accurately, redirecting the Federal role toward uniform tracking and capacity building.

The absolute magnitude of problems in the middle-adolescent period is usually manageable from a public policy and service perspective.

The good news from our Lilly project is that the absolute magnitude of problems in the middle-adolescent period is usually manageable from a public policy and services perspective. The bad news is that untreated problems become multiplicative, cumulative and difficult to unravel as young people age. This is the reason for the focus on early adolescents and the public policy response.

Thinking about youth development should mean thinking about age differences among youth. Unfortunately, it has largely eluded the national public policy field. Perhaps with all the changes proposed at the national policy level, we should look at this period as an opportunity for giving prevention a try.

ANECDOTES & PUBLIC POLICY PRISMS IN EMPLOYMENT & TRAINING

SECTION THREE: ADVOCATES

H. Art Taylor, President & CEO
Opportunities Industrialization Centers of America

At Opportunities Industrialization Centers of America, we believe that anecdotes illuminate, but never fully describe the depth and breadth of the human experience. They are, too often, flawed prisms that warp our perceptions of group and institutional dynamics and too frequently do great injustice to rational policy decision making. They are easy to grasp intellectually but are often unfocused or too narrowly applicable to the particular circumstances and conditions. When used responsibly, they cast light. When used improperly, they obscure. Too often they are the proverbial trees hiding the forest. While anecdotes are generally innocuous, if used irresponsibly to drive public policy decision making our national experience clearly shows that anecdotes can be impediments to sound, deliberative decision making. Overreliance on them has frequently led to categorization of programs, duplication, inefficiency and programmatic proflagration. Thus, it is critical—indeed essential—that we formulate public policy based on solid principles born of careful, responsible, deliberative and research and demonstrations of what works. Public policy prisms must illuminate, not confuse.

Responsible people do not suggest that we strip states of their responsibility for providing access to free public education because of the countless examples of dysfunctions in our education systems. Rather, thoughtful people realize that states cannot educate our children alone. They alone cannot instill the values, impart the academic skills, and ensure the physical and mental development of our children without the constant involvement of our families, communities and institutions, both public and private.

Community-based organizations like OIC have been fail-safe mechanisms for those people who, for whatever reason, are out of the mainstream of our public policy. Community-based organizations are frequently the nation's last line of defense in the battle to maintain a community's quality of life, dignity and economic viability. Rather than toss them into the trash heap of "extraneous special interest groups," OICA encourages policy makers to assess community-based organizations' strengths, to build on their successes and to move them from the back to the forefront in the war on unemployment, crime, and despair. This is not a resource allocation issue. Rather, it is a cry for sound investments in community-based organizations' capacity-building and institutional development recognizing that they are indispensable partners in an effective alliance and partnerships between the public and private sectors and the people.

Despite 'conventional wisdom,' community-based organizations are not 'rolling in dough.' On the contrary, the unflagging, personal commitment of volunteers frequently fuels them, along with the selfless dedication of low-paid staff and a well of indigenous community energy and imagination. The sound principle of self-help drives them. An abiding belief in the indefatigability of the human spirit sustains them. They are invaluable, indispensable, and American-made institutions!

Sound investments in community-based organizations' capacity-building and institutional development recognize that they are essential partners in any effective alliance between the public and private sectors and the people to combat unemployment and seemingly intractable poverty. If we adopt this underlying principle, governance structures will do well to build on community-based organizations' demonstrated effectiveness. More than anything else this ensures that people have a sense of ownership of the public policies designed for them. It also supports and reinforces peoples' burning desire for a good quality of life. Like the people they serve, community-based organizations do not need a handout. They need a hand up. Opportunities through sound investments—not make work through charity—should guide our national agenda, particularly in employment and training.

Almost universally, people have no desire to dwell in perpetual poverty. They do not romanticize rats and roaches. They have aptitudes and interests, dreams and aspirations. They want to work and they want to be contributing members of society. At OIC, we believe that people of all political stripes and ideologies have the same belief in the indefatigability of the human spirit. At OIC we believe in forging alliances. We see an excellent opportunity to move forward with a shared commitment to sound policies and programs that capture the collective good will of the body politic, service providers and the constituents they serve.

We must be careful that the discussions fully consider community empowerment as an essential element of any legislative initiative.

For example, the impending debates on welfare reform and employment and training policy will reassess the national interests in maintaining a strong, fully productive labor force. However, we must be careful that the discussions fully consider community empowerment as an essential element of any legislative initiative. The history of employment and training programs clearly demonstrates that absent community support and ownership,

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employment and training initiatives conducted for them are predestined to fail miserably. Therefore, Congress should establish a philosophical framework that nurtures and supports community involvement, particularly in our economically distressed communities. One way to do this is to cast the policy discussions so that opportunity and incentives rather than sanctions and disincentives are the driving forces behind new legislation. This is not a call to revisit the 'Great Society.' Nor is it a call for neo-liberal paternalism. Instead, it recognizes that sound investments in human resource delivery strategies work. We need a hard-nosed businesslike approach that takes into account the nation's self interest and competitive challenges in the global marketplace and the technological and information revolutions. It also acknowledges the breathtaking demographic shifts occasioned by immigration and the aging of the population. Finally, it is positive, forward looking and prudent.

All too briefly, then, I offer these five principles as essential elements of a sound and fiscally responsible policy legislative framework that will save rather than cost money because of the hefty returns on the nation's human capital investments:

1. Education is a lifelong process that should be encouraged and supported, not thwarted by public policy.

2. People should have access to education, employment and training with the least amount of bureaucratic resistance.

3. There is an indispensable role for the federal government, for example, in macroeconomic, monetary, trade and immigration policies; ensuring equal opportunity; and research including the generation and analysis of labor market and occupational information should be federal responsibilities.

4. Families and communities should be the hubs of service delivery strategies.

5. Policy-makers must make a conscious and deliberate effort to benefit from the tremendous wealth of research done to date. Often, we know and have shown what works. Let us not throw out the 'research babies' with the political bath water. OIC's knowledge is based -- not on anecdote -- but on sound research and demonstrated success.

The 5th principle is particularly relevant given OIC's recent experiences with a model research and demonstration program that has gained national attention as a program approach that works. The Quantum Opportunities Project (QOP) is a multi-site youth development demonstration project, funded by the Ford Foundation, in five communities: San Antonio, Philadelphia, Milwaukee, Saginaw, and Oklahoma City. An affiliate of OIC runs each program, except Milwaukee where the service provider was Learning Enterprise, an alternative education program. QOP is a multi-year effort starting in ninth grade and continuing through high school. It organizes the programs around education activities (e.g., participation in computer assisted instruction, peer tutoring, homework assistance, etc.), service activity (e.g., community service projects, helping on public events, regular jobs), and development activities (e.g., curricula focused on life/family skills, college and job planning).

Specifically, QOP guaranteed up to 250 hours of education, 250 hours of development activities, and 250 hours of service each year from the 9th grade through high school graduation for in school youth or anytime for youth who may have dropped out, transferred, or even left their original neighborhoods. Students received hourly stipends starting at $1.00 per hour and rising to $1.33. After completing 100 hours of programming, they received a $100 bonus and an equal amount of funds was deposited into an interest bearing Quantum Opportunity Account for approved use, usually college or training.

Programs delivered services in different settings. All programs provided services in community agencies during the after-school hours. In several cases, the public schools provided space and time for services provided in school settings. In some sites, individuals pursued a self-paced set of activities in their homes, along with occasional group activities.

They enrolled only twenty-five youth in each program, a feature that allowed a club-like group identity to evolve. OIC received forward funding for the program at the start of the demonstration. Forward funding was indispensable since it allowed for continuous and guaranteed service from 9th through 12 grades. The philosophy of the program was 'once in QOP, always in QOP,' suggesting that even youth who temporarily dropped out should be served through appropriate services.

Summer employment programs, in and out-of-school work experience programs, school-to-work transition programs, pre-employment and placement programs, and remedial education programs have-at best, modest positive post-program impacts. For example, Job Corps — the best of those programs — paid back $1.35 for every $1.00. Brandeis University's Heller Graduate School's Center for Human Resources conducted a rigorous evaluation involving random assignment. The QOP impacts dwarf those of any youth program that has been rigorously evaluated to date. It increases school graduation rates by twenty-one per hundred, compared with three per hundred for Job Corps. It increases post-secondary enrollments by twenty-six per hundred compared with four per hundred for Job Corps. It has a $3 to $4 payoff for every dollar invested. More important, proof of its impacts is more scientifically valid than any previous findings because of the rigorous experimental design.

QOP's benefit to the nation will be lost unless we support it and programs like it that have similar investment returns.

Quantum Opportunity Program is a way to give young people a hand up. Its sound research underpinnings make its blazing success more than anecdotal and its experiences replicable in a manageable way. **Yet QOP's benefit to the nation will be lost unless we support it and programs like it that have similar investment returns.** In an era of diminishing resources, this becomes an essential consideration in the public policy discourse. Like QOP, our nation's future is boundless. While principled, forthright and reasoned decision making will ensure that experiences like QOP inform the discussions, firm commitments to the five principles outlined above will provide the policy framework within which such discussions should take place.

We must work to ensure that the nation's destiny is secure in sound policy making processes that the shapers of the nation had in mind when they deliberated on the unfathomable challenges of America's future. They saw this nation's potential for greatness through timeless prisms hewed from principled discourse and they shaped public policies to secure it. We owe it to their legacy and to the people to do no less.

ENSURING EQUITY FOR YOUNG WOMEN IN JOB TRAINING

Mildred Kiefer Wurf, Washington Representative
Girls Incorporated

Among the regrettable set of common elements appearing in various proposals to consolidate federal employment and training programs is the absence of mention of community-based and youth-serving organizations as integral to successful programs (although "welfare agencies" in the Goodling bill might be so construed); and little or no mention of those people hardest to reach, those most in need, or those with special needs -- including young women.

Countless community-based organizations focus on preparing young people for the world of work. Others do job development and placement. Many provide tutoring and other remedial work. Often these services are directed at hard-to-reach youth. Many agencies also provide the support services that enable new workers and new employers to get past the first few months and improve the chances for long-term success. Many of these groups are affiliated to national organizations that provide training, set standards, develop new programmatic approaches, and offer technical assistance over the long haul. Not to include this resource in any overhaul in employment and training programs is short-sighted at best.

For 50 years, Girls Incorporated has been a leading expert on programming for girls and a tireless advocate for girls' issues. Our programming helps young women overcome the barriers of sex-role stereotyping and seize opportunities to become self-reliant adults. We have developed, researched and evaluated such programs. We have also published thoughtful documents, including "What's Equal?" and "Beyond the Pink and Blue Predicament."

Consider the facts: Two out of three minimum wage earners are female. Most single heads of household are female. The largest group living in poverty is the children of female single heads of households. Overall, women at every skill level still earn appreciably less than men with comparable education and experience. These facts cry out for attention and action in any consolidation of employment and training programs.

About 15 years ago, the Job Corps legislation was amended to require that resources should be spent to assure that women and men were offered Job Corps opportunities in a 50/50 "ratio." Yet in 1992, the actual ratio was 39:61. Clearly, establishment of targets for resource allocation does not quickly or completely solve long-standing gender equity problems in federal training programs.

Today's thinking on the matter of equity goes beyond conceived notions of equal opportunity. Mathematics educator Elizabeth Fennema's distinction between levels of equity is particularly useful. Equity of access means, at least, equal opportunity to participate in programs. Access, however, means more than not excluding young women. We must assure welcoming, not hostile environments; recruitment through outreach efforts that are targeted at young women in great need; opportunities that include necessary services, e.g., if the training is residential, child care must be provided. In addition, participation must be defined in active terms, not by a count of the numbers of enrollees who are female and single.

Equity of treatment implies that young women receive at least the same level and quality of attention as do young men. By now, it is widely documented that this is not often the case in elementary, secondary, vocational, and higher education. It is also not true in many businesses or large-scale enterprises, whether public or private. When there is the same level of attention, the next question to be asked is whether equal treatment creates a level playing field, or does it perpetuate the long-standing inequity.

Compensatory training may be needed to overcome the effects of sex-role stereotyping to which most American girls have been subject. Instructors, administrators and others who work with participants will need gender-sensitivity training so that they can provide an environment that moves forward.

Equity of outcome measures changes in the gap between females and males in achievement, knowledge, confidence, persistence and participation. When the gap is closed and gender barriers and limitations have been eliminated, we should see changes in the lives of women and men. Downstream, 50 percent of U.S. Supreme Court Justices should be female and 50 percent of nurses should be male.

Gender discrimination can be subtle or blatant; a notorious example is the treatment of women in training for non-traditional construction jobs. Whether fact or rumor, the stories that circulated have effectively lessened the number of applicants for such training.

Equity of outcome measures changes in the gap between males & females in achievement, knowledge, confidence, persistence & participation.

RECOMMENDATIONS

A federal job training policy must include gender sensitivity training for key personnel, data collection that provides the ability to disaggregate and cross-tabulate information and other specific activities to provide needed facts and a positive environment in which young women can prepare for good paying jobs.

Several pieces of recent legislation have recognized these issues, especially the reauthorized Elementary and Secondary Education Act and the School-to-Work Opportunities Act. Both of these bills were sent to Congress with no reference to gender equity. Both Houses of Congress

amended the bills after hearing the testimony presented by advocates of equity for females.

The consolidation bill introduced in the 103rd Congress by Rep. Goodling, now Chair of the Economic and Educational Opportunities Committee, takes a major step backwards by stipulating that there will no longer be a Sex Equity Coordinator within state education systems. As the move is toward consolidating vocational education with employment and training programs, this is of special importance. Vocational education is one of the strongest bastions of traditional thinking about employment for males and females, dramatically limiting the options for both women and men. Without a mandated position at the state level to look over the system, create new materials, offer ideas, network within and between states on equity issues, progress in this field will slow to a crawl. Our country cannot afford to slide back if we want to take full advantage of talented young people entering the labor market, women and men alike.

IMPROVING EMPLOYMENT OPTIONS OF PEOPLE WITH DISABILITIES

Elmer C. Bartels, Commissioner
Massachusetts Rehabilitation Commission

INTRODUCTION

Young people with disabilities are now graduating from public education programs that first included them only two decades ago. Will they be able to get jobs, pay taxes and contribute their energy and talents to the working world? Will reforms in federal work force development policies and programs ensure that they are included, or will they be shut out of efforts to modernize the American work force and make our economy a vigorous competitor in global markets? These are critical questions in the current policy discussions concerning the need for systemic reform of employment and training policies in the United States. This paper is written from my concern that potential workers with disabilities will take last place in the redesign of federal job training programs and that this potential labor market will be ignored in the rush to reform.

In formulating a consensus about what national employment and training policy should be, any rational discussion of disability and the labor market needs to take into account certain facts and current disability policies that were enacted with bipartisan support. We know that the shape and demographics of the American work force in the year 2000 and beyond will be different than the labor market in 1995. Low birth rates in the past will result in fewer young people entering the work force over the next 20 years. American business and industry will need to recruit workers from populations that traditionally have not been an active part of the labor market. Statements of political leaders concerning future labor markets and federal labor policies agree on two basic premises: (1) Congressional action is urgently needed to reformulate existing federal programs and build a work force to enhance American prospects for successful competition in a global economy; (2) Legislative reforms must endorse policies that will promote good jobs for all American workers.

A 1994 survey by Louis Harris Associates indicated that the current employment picture for people with disabilities is bleak. (N.O.D./Harris Survey of Americans with Disabilities, L. Harris and Associates, 1994.) The survey indicated that 69% of working age Americans with disabilities are not employed although the overwhelming majority of those individuals wanted to work. They would do so if existing employment opportunities offered reasonable accommodations and the necessary training existed to ensure that potential workers were qualified for the job by virtue of access to training programs with needed support services.

From an economist's perspective, the financial costs of federal benefits expended for people with disabilities are significant. In 1993, 7.5 million people received $54 billion in SSI and SSDI disabilities benefits, (data from Social Security Administration, confirmed on September 29, 1994). The lost productivity potential for individuals with disabilities who want to work and cannot get or keep jobs due to the absence of appropriate training with necessary supports is inestimable.

NATIONAL POLICY RESPONSE

National disability policies are relevant to the current discussion of proposals to reform federal job training programs so that they meet the needs of employers and include workers with disabilities. The primary expression of national disability policy is the Americans with Disabilities Act (ADA), enacted in 1990 with overwhelming bipartisan support. That law established inclusionary employment policies in all sectors of the labor market.

There are savings of $5 in SSI/SSDI disability benefits for every $1 spent on vocational rehabilitation services.

ADA made a great promise to all people with disabilities, including youth with disabilities, that they would be would be fairly considered for employment. There is still a long way to go to ensure that people with disabilities have a level playing

field and real access to real jobs.

These promises of ADA were reinforced in 1992 when Congress reauthorized the Rehabilitation Act. With bipartisan support, Congress reendorsed the Public Vocational Rehabilitation Program as the basic comprehensive employment program for people with disabilities and the vehicle to ensure that people with disabilities could gain skills and receive necessary supports to qualify for jobs in the competitive employment market.

Authorized by Title I of the Rehabilitation Act, the Public Vocational Rehabilitation Program operates in all 50 states and the territories. The Act calls for a single state agency with expertise in disability and trained personnel to use federal and state funds to provide comprehensive services needed by people with disabilities to enter employment and keep working. The Public Vocational Rehabilitation Program is the primary vehicle to ensure that eligible individuals with disabilities qualify for employment and join the labor market. Eligibility is based on three factors:

> An individual must have a physical or mental impairment which constitutes a substantial impediment to employment;
> Vocational rehabilitation services must be able to benefit the individual in terms of an employment outcome; and
> vocational rehabilitation services must be needed in order to prepare for, enter, engage in or retain gainful employment.

The Rehabilitation Act recognizes that people with disabilities are individuals, with limitations and strengths, interests and abilities. To achieve employment outcomes for individuals with disabilities, Vocational Rehabilitation includes training services and much, much more. It is a comprehensive program, designed with a case management system in which skilled vocational rehabilitation counselors tailor the unique services and unique supports that eligible individuals with disabilities need to become competitive in the labor market and get good jobs. Removing the barriers that stand between a particular individual with disabilities and a job is not a onesizefits all quick process. Rather, it requires a tailored approach to services and availability of the full range of services that are authorized in Title I of the Rehabilitation Act.

In planning and coordinating the individualized written rehabilitation program, the expertise of the vocational rehabilitation counselor and the involvement of the individual with disabilities, as mandated by the Rehabilitation Act, are the basic foundation for successful employment outcomes.

MEASURABLE RESULTS

The 1992 reauthorization of the Rehabilitation Act recognized that two decades of inclusionary education are bearing fruit. Youth with disabilities are now graduating from the education programs that began in 1975 under the mandate of P.L. 94142, the Education for All Handicapped Children Act, now called the Individuals with Disabilities Education Act (IDEA). The amended Rehabilitation Act set up specific mechanisms to ensure coordination between the Public Vocational Rehabilitation Program and the education that serves young people with disabilities so that they transition into the world of work with necessary supports to be successful in their jobs. State vocational rehabilitation agencies are actively involved in implementing the School to Work Opportunities Act of 1994 to integrate school-based learning with work so that young people with disabilities leave the public school system with the skills they need for successful performance on the job. The concept of partnerships between employers and educators is broadened to enlist counselors from Vocational Rehabilitation in the team to plan successful transitions from school to work for students with disabilities with appropriate services and supports in the adult service system after they leave school and enter the working world.

For every individual who goes to work as a result of services from the Public Vocational Rehabilitation Program and terminates or reduces dependence upon disability benefits, there are savings of $5 in SSI/SSDI disability benefits for every $1 spent on vocational rehabilitation services. Moreover, for every $1 spent in vocational rehabilitation, $10 dollars or more are returned in benefits to the individual and society. It makes economic sense to ensure that reform and restructuring of the national job training program strengthens and does not detract from the integrity of the Public Vocational Rehabilitation Program.

Vocational Rehabilitation offers its target population the comprehensive services necessary for them to get jobs and keep working. It does not duplicate or overlap services offered by other federal job training programs, but coordinates services for its target population with those offered by other state and federal agencies. In contrast, the current Job Training Partnership Act funds programs that focus on the needs of individuals who require only very basic assessment, short term job skills training, and job placement. There is little or no follow-up post-placement for JTPA participants. This emphasis on short-term services and quick placements with no requirements for post-placement follow-up do not meet the more complex employment needs of individuals with disabilities. Similarly, the various proposals to consolidate the federal job training system have highlighted workers who have lost their jobs, but take little cognizance of the diverse work-related needs of people with disabilities and the importance of tailoring a service program that is unique to the employment needs of each eligible individual with disabilities.

RECOMMENDATION

Reforms that will truly serve the job training needs of people with disabilities must preserve the integrity of the Rehabilitation Act and the Public Vocational Rehabilitation Program. Vocational Rehabilitation is a proven success; every year it has enabled thousands of individuals with disabilities to go to work, gain economic independence, and pay taxes. Its success is based on a comprehensive service mandate applied on a tailored basis to the unique employment and training needs of each eligible person with disabilities. The basic structure of this program and its operation within state governments must be maintained. No waivers of vocational rehabilitation program requirements that undermine its special focus on employment services for people with disabilities should be permitted in federal legislation to reform federal job training programs.

Improvements in the federal job training programs to include people with disabilities as viable workers in the American labor market must focus on strengthening linkages between the Public Vocational Rehabilitation Programs in the fifty states and the other components of the federal job training system. Two fruitful areas for change would be mandates for cooperative data sharing by state employment agencies and measures to ensure that clients of the Public Vocational Rehabilitation Program can be referred and have ready access to services funded through the federal job training system.

INVESTMENT OR DISINVESTMENT?

Gary Kaplan, Executive Director
Jobs For Youth-Boston

It's old news that the economy is changing. In the youth employment field, we have been observing change in employment patterns at close hand for well over a decade:

1. Manufacturing jobs are decreasing; service jobs are increasing.
2. Higher and higher skill levels are required for all jobs.
3. Wages are closely correlated to skills.
4. Indicators of social distress are rising, not diminishing.
5. The gaps between haves and have-nots are growing wider.
6. Resources for education, training and social services are diminishing.

These points form the outline of a familiar story. A larger context for that story was offered by Peter Drucker in an article titled "The Age of Social Transformation" (*Atlantic Monthly*, November 1994).

Drucker defines the new economy as a "knowledge" economy. By the end of this century, knowledge workers will comprise a third of the workforce, as large a segment as manufacturing ever was. Since "knowledge" jobs pay well, this might be good news, except for one crucial point: the new jobs require new kinds of education and new abilities to acquire and apply theoretical and analytical knowledge. "Displaced industrial workers cannot simply move into knowledge work or services the way displaced farmers moved into industrial work."

How can we train low-income, unemployed, welfare-supported, out-of-school and otherwise marginal economic participants for more successful roles in a society that will grow more and more competitive as it depends on more and more specialized knowledge?

Jobs For Youth-Boston has been wrestling with these issues for two decades. We have developed a model for high-skill training that prepares low-income high school graduates for technical specialties in biotechnology, environmental technology and medical care. Based on collaborations with employers and technical institutes or universities, JFY-Boston's Academy for Career Excellence meets the challenge of the knowledge society by training workers for technical jobs in one academic year or less. Graduates of the Academy for Career Excellence successfully compete with bachelor's degree graduates for jobs in their fields.

Since 1992, JFY has trained and placed 43 people in biomedicine and biotechnology. The jobs range from lab technician to quality control analyst to automated processing assistant to electron microscopy assistant to microbiology technician. Starting salaries are as high as $25,000. Some graduates earn $35,000 after two years of employment.

In addition to these biotech placements, we have trained and placed candidates in environmental technology and various allied health fields. In all, we have placed 85 individuals in scientific and medical jobs in the past three years. Some of these trainees were welfare recipients, some JTPA eligible. All were low-income. Over 70% are minority. They are a cross-section of employment program clients.

We recently calculated the total earnings of all 85 graduates during the three years of the program. The total was $2,800,000. JFY's employment program budget, which includes more than these training programs, was about $1,020,000 for the three years. The ACE earnings represent a return on investment of $2.75 for every dollar invested. That's a 275% return, without even considering ancillary benefits such as welfare savings. This should help answer the question whether poor people can be helped and whether training pays off.

What have we learned in these three years? We've learned that training must start from the job and work back to the curriculum. We've learned that employers have to be involved from the beginning and at every step of program development and implementation. We've learned that supports such as counseling and day care have to be in place, whether built into the program or provided by the family. We've learned that the more substantial the training the better the job and the more permanent the employment. Above all, we've learned that people can achieve unbelievable things if they're provided with the proper structure.

For the past decade and a half, a mood of frustration has been rising in American politics and social policy. It was capsulized by Ronald Reagan in the slogan, "We declared war on poverty and poverty won."

New jobs require new kinds of education & new abilities to acquire and apply theoretical & analytical knowledge.

It has conditioned the debates on welfare reform, education reform and job training. It was intensified by the research made public during the JTPA reauthorization hearings and amplified by Charles Murray beginning with "Losing Ground" and culminating in "The Bell Curve." It reached a political apogee in the recent election.

This mood is distilled in the assertion that programs don't work. Jobs For Youth and many other programs contradict that pessimistic opinion. Our program and many other programs do work. They demonstrate that wise investments in human capital pay dividends a competitive nation cannot afford to ignore.

JOB TRAINING REFORM MUST ASSURE WOMEN EQUITY, ACCESS & SPECIALIZED DIRECT SERVICES

Jill Miller, Chair
Coalition on Women & Job Training

The Coalition on Women and Job Training is comprised of more than 40 women's, labor, and civil rights organizations. The Coalition, organized in 1992 and led by Women Work! The National Network for Women's Employment, works to improve access of women to quality employment and training services.

WOMEN SHORTCHANGED IN CURRENT JOB TRAINING SYSTEM

The current job training system shortchanges women in many ways:

- Women tend to be clustered in a limited number of training programs preparing for jobs in traditionally female occupations.
- The wage rate for women at placement is lower than that for men and insufficient to provide for themselves and their families.
- Insufficient resources for support services limit participation by women with dependent care responsibilities and training-related expenses.
- "One size fits all" approaches to employment and training lack the essential specialized preparatory program components that reentering women need to succeed.
- Eligibility criteria exclude women from income support and/or unemployment insurance because they lack long-term, full-time work experience.
- Women are under-represented in top leadership/decision-making positions responsible for policy, program, and resource allocation decisions.
- There has been a lack of adequate enforcement of legal requirements that prohibit discrimination in employment and education and promote affirmative action.

A NEW JOB TRAINING SYSTEM

The Coalition on Women and Job Training has a number of recommendations for any new job training consolidation initiatives moving through Congress. Our primary concern is that gender equity programs not be eliminated. Programs such as those under the current Perkins Vocational Education and Applied Technology Act have improved women's and girl's access to vocational training and have received extremely high customer satisfaction ratings. Second, it is critical that consolidation not result in any decrease in supportive services, such as dependent care and transportation. In fact, supportive services should be required in every job training program, regardless of the funding source or administering agency. Finally, the provisions of the Nontraditional Employment for Women Act (P.L. 102-235) to train and retain women in nontraditional jobs must be included as part of the overall structure of job training consolidation efforts. Otherwise, women will continue to be trained primarily for low-wage jobs.

The goal of all job training policies and programs must be long-term economic self-sufficiency for program participants. The current system is still driven towards quick and easy fixes that have done little to eradicate poverty. A new system must evaluate programs on whether participants in fact do achieve economic self-sufficiency. Performance standards presently used by job training programs are especially inadequate for women because they are narrowly focused on a few outcomes — percentage of trainees who obtain employment, wages at placement and job retention rates. They do not provide a means to judge the quality of jobs obtained through a training program. Performance measures now do not take into account the financial needs of the program participants, resulting in misleading conclusions. For example, a job that pays $6.00 per hour and does not have health insurance benefits may be adequate for a single person living with his or her family, but for a woman with dependents, both the income and lack of benefits make it inadequate to her needs.

If a block grant approach for federal employment and training programs is implemented, states must be required to provide for the following:

1. Performance standards that are based on a self-sufficiency standard that judges the quality of a job by taking into account the economic needs of the trainee and family members supported by the trainee, as well as local variations in the cost of living. Such a standard would incorporate the following elements: the level at which the trainee had the resources sufficient to meet the family's basic needs, for food, shelter, health care, child care, etc., without public subsidies; both monetary and non-monetary resources, such as health insurance; family size and composition; local living costs, especially housing; and employment over a long period of time.

It is critical that consolidation not result in any decrease in supportive services, such as dependent care & transportation.

2. Program content that meets the unique employment and training needs of women. The success of women in employment and training programs requires that comprehensive services be provided that include career counseling and education, job readiness, support groups and life skills development (financial management, goal-setting, self-esteem/assertiveness training, patenting) and information about and referrals to community services. Many women face particular challenges due to economic disadvantage, educational

disadvantage, disability or limited English proficiency. All employment and training programs should provide participants with the full range of services needed to achieve economic self-sufficiency, including requiring information on and exposure to nontraditional occupations. Programs should also provide women with experience in and understanding of all aspects of the industry for which they are being trained.

3. Mandating support services that are essential to women's participation in employment and training programs. Participation criteria that in effect screen out those with significant support service needs should be prohibited if women are not to be unfairly excluded from training. Fully subsidized dependent care must be provided for job training program participants. The maximum flexibility should be allowed, in accordance with adequate standards to ensure quality and safety, to select the care that meets the participant's needs and that of dependent family members. Dependent care for job training participants must be paid at locally determined market rates to ensure that families have access to quality care.

Adequate transportation is an integral component of a support services package. Communities should have flexibility to combine existing transportation services and develop new services as needed. Included in transportation reimbursements should be transportation costs that are necessitated by dependent care. Programs should be allowed flexible payments, reimbursement or advances, depending on the transportation needs of the program participants.

4. Establishing a comprehensive and uniform data collection system to measure the progress and success of programs and participants. In order to evaluate whether a consolidated approach to employment and training is providing the desired outcomes, a uniform management information system must be in place to collect needed data to measure how programs and participants are performing. Data collection and reporting is essential to assess performance, set and refine program goals and objectives, and monitor equitable treatment of participants. All data should be collected, reported and crosstabulated at all levels (local, state and national) by age, sex and race variables. Local service providers should report data by individual participant, not just in aggregate. This data must be available to agencies responsible for enforcing equal opportunity requirements.

CONCLUSION

The collective experience of thirty years of federal employment and training programs has consistently shown that women have unique needs and barriers with respect to education and training, and require services that specifically address those needs. Without such services, women have fared poorly in the employment and training system.

The rationale for the need for consolidation does not apply to women's employment programs, services and strategies. The principal purpose of consolidation is to eliminate duplication and the administrative waste that accompanies it. However, special programs for women were created through various legislation precisely because the services and programs that women require were not available through existing mainstream programs. This form of specialization, which recognizes and addresses the unique employment and training needs of women, must not be confused with duplication.

Of course, the most effective way of ensuring that women's particular needs will be met is to require the entire employment and training system to respond to those needs. This is not unreasonable, since women constitute the single largest population group served (close to 60% of the service population in most systems). If these needs were addressed through system-wide design of services, all populations would benefit, and fragmentation of services would be less necessary. Then consolidation efforts could concentrate on streamlining administrative duplication without jeopardizing much needed, specialized direct services.

The most effective way of ensuring that women's particular needs will be met is to require the entire employment and training system to respond to those needs.

VOCATIONAL EDUCATION: IN OR OUT OF ANY CONSOLIDATION?

Jack Jennings, Director, Center on National Education Policy
Institute for Educational Leadership

Since 1917 the federal government has supported the funding of vocational education programs in the public schools. The latest version of that support is provided through the Carl D. Perkins Vocational and Applied Technology Education Act of 1990.

The Perkins Act has been mentioned as one of the many federal programs for job training which ought to be reviewed with an eye toward consolidation so that the national government will have a more coherent and coordinated policy on job training. However, vocational education is unique in that it is neither "fish nor fowl." By that, I mean that it is education as well as training. Vocational education sometimes is mostly career exploration and counseling; sometimes it is learning academics in an applied context; sometimes it is learning precise job skills; sometimes learning general employment skills.

Consequently, when there is discussion of combining all the job training programs into one comprehensive program, vocational educators fear that they will lose out in the shuffle. Their concern is that the decisionmakers in this unified or block grant program will be people who are mostly concerned about actual job training, especially for adults and that they will divert the funds for vocational education into expanding adult programs.

The irony of this situation is that many academic educators would just as soon have vocational education out of the schools and so would be pleased with any such result. Many school administrators and teachers believe that the schools ought to concentrate on academics and leave all aspects of job exploration and preparation to individuals and employers.

Thus, vocational educators get it from both sides. The trainers would often prefer to have all the funds in programs for adults and the academicians would often prefer that the schools focus solely on basic academic subjects. As has been said in other situations, paranoia is not always unfounded, at least in the case of vocational educators.

If there is a comprehensive job training consolidation at the federal level and vocational education programs are no longer offered in the high schools, the losers would be many children. The real strengths of vocational education are two: first, people learn in different ways and vocational education offers an applied learning context for those who grasp concepts more easy in practical, not abstract ways; and, second, students need to see the relationship between what they are being taught in the schools and what they will need to succeed once they leave school.

These virtues of vocational education really ought to be offered to all children, and not just to those who are not "collegebound." Half of all high schools students go on to college, but then half of them drop out and do not attain a college degree. Furthermore, even those who will get a degree learn in different ways and might be even more motivated if they were to see the relevance of what they were doing in school to later life. So, the strengths of vocational education should be available for all.

This leads to my recommendation. Vocational education ought to be made part of the reforms that are coming to the high schools. Dozens of schools are creating career clusters and having all children, including the collegebound, follow a particular career pathway. Other schools are making career exploration available to all. Others are incorporating job exposure or community service into the basic curriculum. The idea is to break down the walls which separate academic education and vocational education, and to help all students master academic skills while being exposed to careers.

If any comprehensive federal job training consolidation were to frustrate that possibility, it would be a shame. Vocational education needs to be updated and not abolished, and its pedagogical virtues made available to more children not less. The better possibility for achieving that end would be through leaving vocational education out of any such consolidation and instead amending the Perkins Act to build on the reforms which were begun in 1990 with the requirements for the integration of academic and vocational education and with the initiation of the TechPrep program.

The idea is to break down the walls which separate academic education and vocational education, and to help all students master academic skills while being exposed to careers.

A COMMUNITY COLLEGE PERSPECTIVE

American Association of Community Colleges

Robert J. Visdos, Co-founder & President of Board of Directors
NETWORK: America's Two-Year College Employment, Training and Literacy Consortium

For the past two decades, the community college role in the federally-sponsored employment and training system has dramatically increased. Throughout the late 1970s and early 1980s community college involvement in the delivery of programs and services to eligible participants in Comprehensive Employment and Training Act (CETA) Programs on the local level increased annually. With the advent of the Job Training Partnership Act (JTPA) in 1982, the role of the community college in the local service delivery system became clearer and community college involvement rapidly increased. Community colleges concerned with economic development as a part of their mission statement began formulating strategic partnership arrangements with their local elected officials and the newly created Private Industry Councils (PICs) to further enhance the service delivery capability and capacity of the local employment and training system.

In early 1990, 384 community colleges responded to a survey conducted by the NETWORK Consortium of community colleges. Of the 400 respondents, 274 (71.35%) indicated that they were providing services to their local JTPA service delivery areas. By 1993-94, the number of community colleges delivering employment and training services to JTPA, EDWAA, TAA, JOBS and Defense Conversion sponsored students had more than tripled. At least 825 of the nation's 1,300 two-year colleges had become active workforce development training institutions.

These statistics are indicative of two major points: 1) community colleges provide critical training services that result in student success as measured by strong completion/graduation rates, greater post-graduation earning potential, and increased upward mobility within their chosen occupational area; and
2) recognition by local elected officials and PICs of the critical role that community colleges must play in devising a comprehensive local workforce development delivery system has dramatically increased over the past decade.

These points underscore that America's community colleges must play a pivotal role in the country's future workforce development strategy and in the delivery of comprehensive high quality training and training-related services. This essay deals with the role that American community colleges should play in the formulation of policies for workforce development and how community colleges can be used to effectively expand the service delivery potential of the local workforce development system.

As members of the 104th Congress begin to prepare legislation that will streamline the nation's employment and training programs, eliminate duplicative services and consolidate programs, it should strongly examine the replication that currently exists between the mandated federal programs and community colleges at the local level. For example, there is a striking correlation between the typical service delivery design of the JTPA system at the local level and that of the average community college. While both entities may not use the same terminology in describing their services the actual services provided are virtually the same.

For example, JTPA provides intake, eligibility determination, assessment, career counseling and referral to appropriate service delivery agents (including education, training and job placement). Similarly, the average community college provides outreach services, educational skills assessment, financial aid assistance, career counseling/academic advising, basic skills enhancement, GED preparation, and placement into an appropriate occupational-related associate degree or certificate program, and career services/job placement assistance.

Also, just as the JTPA system relies heavily upon community-based organizations to deliver needed child care, day care, health services and personal counseling services, so does the local community college. Both entities serve as referral agents to those community-based organizations in an attempt to obtain necessary services for their respective participants/students as a means of eliminating barriers to personal success.

In essence, the community college role in delivering employment and training services to JTPA participants is just one small subset of workforce development programming that a comprehensive community college delivers in support of

Community colleges provide critical training services that result in student success.

meeting the workforce development needs of local business and industry. Community colleges throughout the country currently deliver advanced technology training programs, apprenticeship programs, workplace literacy programs and specific customized training services to upgrade the skills of existing workers. For these reasons, community colleges strongly embrace the concept of "One-Stop Career Centers" proposed during the 103rd Congress. Approximately fifty community colleges throughout the country currently serve as the JTPA Administrative Entity. This permits them to operate as one-stop centers that rely upon external community-based organizations to deliver services not otherwise available to participants through the community college. These institutions have also dealt effectively with the entire concept of "fair broker provisions" and have referred participants to CBOs when it was in the best interest of the student in

furthermore of their own Individualized Educational Plan.

To further enhance the workforce development training potential of the nation's community college system, the American Association of Community Colleges (AACC) in conjunction with the NETWORK Consortium are jointly developing the National Community College Workforce Development Database. Funded through the U.S. Department of Labor, the new database will be on-line through the Department's Training Technology Resource Center (TTRC) in late January 1995.

The new database will permit community colleges throughout the country to share workforce development-related training curricula, program designs, program outcomes, materials and equipment used in training delivery, and other vital information that two-year colleges can use to replicate successful training programs in their local community. The database is a tool that will rapidly share training-related information among institutions, thereby reducing time spent on developing new curriculum (by modifying another institution's existing curriculum rather than developing a new curriculum) and substantially reducing the costs of training program development that are passed on to local small and medium-sized businesses.

Strong consideration should also be given to the concept of "One-Stop Career Centers." In many communities two-year colleges are already functioning in that vital role of providing workforce development services to federally-sponsored students, and in meeting the needs of the local workforce that is already employed. America's community colleges stand ready and poised to assume a leadership role in establishing a national "One-Stop Career Center System." With more than 1,500 community colleges nationwide, and with a community college located within 75 miles of any location in the country, the campuses become the localized "one-stop service delivery hubs" that can bring about the consolidation and improvement of the country's now disparate employment and training system.

One thing that must not be allowed to happen in creating a new federal workforce development system is a diminished role for community colleges in their home communities because of special interest groups concerned solely with the survival of their organizations in the existing disparate system, rather than the creation of a new system that moves forward the national workforce development capability and capacity of the overall system.

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NATIONAL ASSOCIATION OF COUNTIES & NATIONAL ASSOCIATION OF COUNTY TRAINING & EMPLOYMENT PROFESSIONALS

SECTION FOUR: GUIDING PRINCIPLES

GUIDING PRINCIPLES ON CONSOLIDATION

The National Association of Counties (NACo), the only organization that represents all of America's counties and county elected officials, and the National Association of County Training and Employment Professionals (NACTEP), an affiliate of NACo's that represents job training service delivery areas and administrators, believe that:

• The purpose of consolidating numerous employment and training programs is to create a comprehensive system that provides universal access to quality services.

• A new system must maintain service levels to those facing barriers to employment, those displaced from jobs and high risk populations.

• Consolidation should not be used as a means to cut resources.

CONSOLIDATION

NACo and NACTEP believe that legislation designed to reform the nation's job training system must:

• Consolidate employment and training programs to create a workforce development system -- a system that delivers quality and effective services, and shares common definitions and compatible regulations.

• Mandate that consolidation occurs at the Federal, state and local levels.

• Ensure that new bills direct employment and training efforts under this structure and justify the need, target population, and avoid overlap with existing initiatives.

GOVERNANCE

NACo and NACTEP believe that each level of government — the federal, state and local — must play an important and collaborative role in consolidating and delivering job training services. Specifically, the federal government must:

• Develop and provide accurate and timely labor market information.

• Establish performance standards.

• Recommend policy and direction for human investment system.

• Establish a national council consisting of national, state and local representatives, including elected officials and broad private sector representation. The council should review national employment policies and trends and prepare a strategic plan that sets forth national goals and objectives.

• Provide technical assistance to state and local levels, with a guidance response system for questions and answers. Communicate results of best practices.

• Advance clear audit and monitoring standards which encourage innovation and creativity. Foster a non-punitive audit resolution system.

• Provide discretionary demonstration grant funding.

• Waive statutory and regulatory requirements that impede service delivery.

States must:

• Establish state employment policy.

• Create state human resource investment councils that includes local representatives, including elected officials, and stakeholders from employment, education, labor, economic development, and the private sector.

• Develop and maintain state labor market information.

• Monitor and oversee local employment and training system.

• Provide discretionary funds for emergencies and economic shifts.

• Administer Unemployment Insurance system.

Localities must:

• Develop shared governance responsibility between local elected officials and local boards consisting of a business majority, and representatives from education, labor and economic development. Demonstrate accountability through performance outcomes.

• Make appointments to the board.

• Require strong participation of the private sector, particularly in economic and small business development.

• Determine appropriate activities for the localities through needs assessments and set priorities for local system.

• Coordinate activities, including waivers, and exchange information.

FUNDING

NACo and NACTEP believe that any legislative effort to consolidate and reform the nation's job training system must:

• Maintain formula pass-through to local areas.

• Redirect resources from individual programs into a consolidated system.

PROGRAMS

To develop more effective programs that serve the wide range of constituent needs, NACo and NACTEP believe that legislation should:

• Eliminate eligibility requirements to create universal access that will be driven by targeting and performance standards. Future funding should be dependent upon meeting the standards.

• Take 'full toolbox approach' to providing services that result in self-sufficiency.

• Tailor services to customers, employers and participants, and to local needs.

ACCOUNTABILITY

Programs funded with taxpayer dollars must be held accountable. This should be done by establishing:

• Reasonable procurement procedures that allows access to public partners without lengthy competition.

• Monitoring and audit standards published in advance.

• Reviews and Evaluations with desired outcomes published in advance.

• Return-on-Investment a measurement.

For additional information, please contact Reginald Todd, director of legislation, or Neil Bomberg, director of training and employment programs, National Association of Counties, 440 First Street, NW, Washington, DC 20001, 202/393-6226.

U.S. CONFERENCE OF MAYORS

GUIDING PRINCIPLES FOR ESTABLISHMENT OF A COMPREHENSIVE & CONSOLIDATED WORKFORCE PREPARATION & DEVELOPMENT SYSTEM

1. The U.S. Conference of Mayors Employment and Training Council supports the consolidation of workforce development programs and program funding at the federal, state and local levels.

2. An efficient workforce development system depends upon a flexible delivery structure and must be inclusive of local needs and local labor market conditions.

3. The service delivery structure of any consolidated workforce development system should be determined at the local level with the mayor leading a public/private partnership with business.

4. Consolidation legislation must include language mandating a sub-state funding formula and should include formula elements that guarantee adequate funding to meet the specific needs of localities.

5. The broad use of training vouchers should only be adopted as part of a managed system of career guidance that ensures that clients have adequate information to make decisions regarding training and protects against fraud and abuse. Individuals without adequate basic educational skills and substantial attachment to the labor force are not well served by a voucher system and are those most in need of access to good labor market information before the onset of training. Similarly, rural clients may have limited access to institutions that are amenable to a voucher system.

6. A consolidated workforce development system for adults and out-of-school youth must have universal, performance-based accountability measures that monitor the acquisition of skills and attainment of jobs and economic self-sufficiency. A consolidated workforce development system for youth including School-to-Work programs must have measurable standards of educational and workplace skills enhancement and attainment.

7. The U.S. Conference of Mayors Employment and Training Council recognizes the critical relationship between welfare reform and the development of workforce skills. The education, training and job placement programs targeted to welfare recipients must be consolidated into the larger workforce development system.

8. Any consolidation of workforce development legislation must adequately address the needs of the economically disadvantaged population and at-risk youth.

For additional information, please contact Joan Crigger at the U.S. Conference of Mayors (202) 293-7330.

MAIN COMPONENTS OF THE G.I. BILL FOR AMERICA'S WORKERS

Excerpted from President Clinton's Middle Class Bill of Rights

Source: U.S. Department of Labor, Budget Briefing Information Released on February 6, 1995

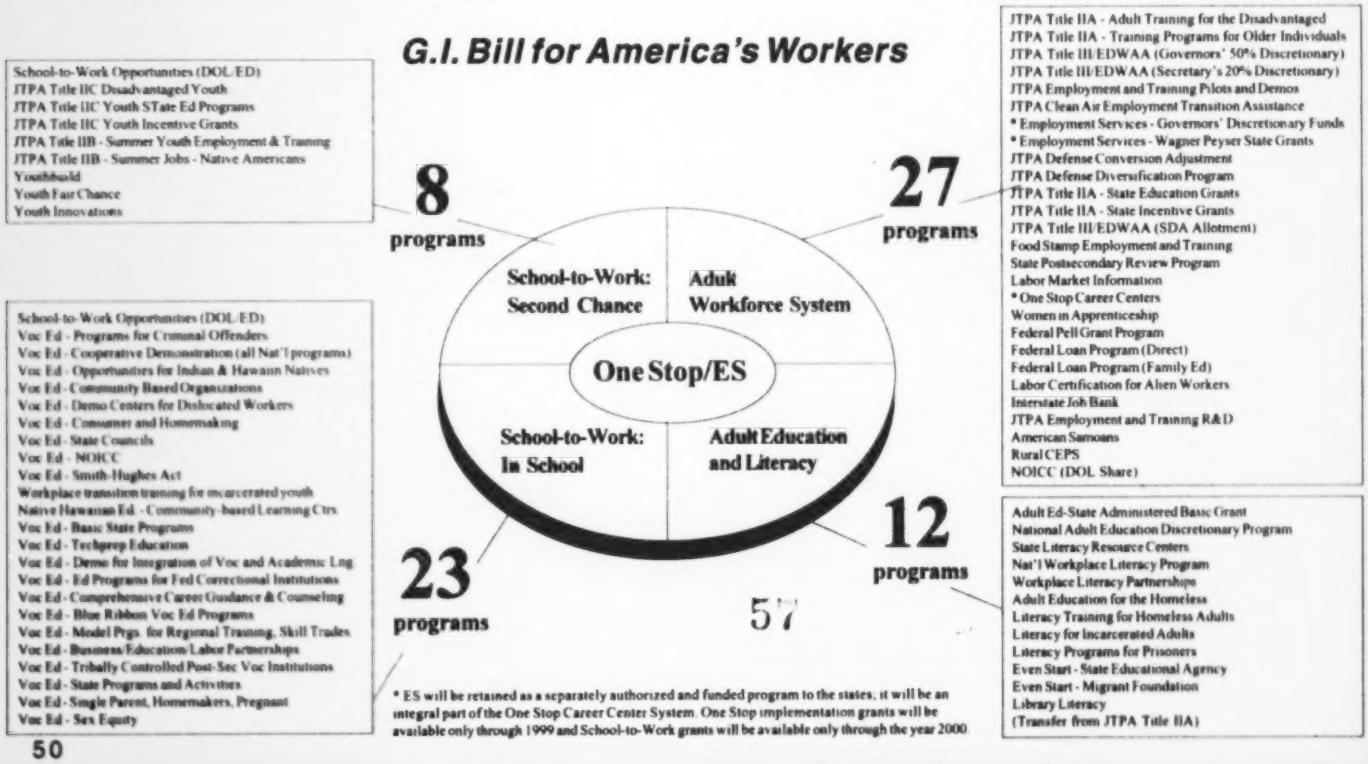
While states and localities will be free to craft their skill-building systems to meet their own needs and priorities, under the President's proposal there will be a limited number of essential common elements. For **adults,** these include:

- **Skill Grants** adults can use to purchase the training and education that works for them.
- **One-Stop Career Centers** that will offer all Americans easy access to reliable, up-to-date information on where the jobs are, what skills are in demand, and the performance records of training institutions.
- **Tough accountability measures,** building on recent federal reforms in "gatekeeping" for postsecondary education, to ensure that prospective students have solid data on the real-world payoff of education and training at each institution, and are protected from fraudulent or clearly incompetent institutions.
- **A consolidated adult education and literacy system** that gives states more flexibility to provide their adult citizens with the basic education and literacy that are the prerequisites to lifelong learning.

For youth, the President's initiative would intensify the reforms begun under the School-to-Work Opportunities Act, transforming vocational education programs under the Perkins Act as well as youth programs now delivered through the Job Training Partnership Act. Youth programs will be:

- **Streamlined** by combining the 23 programs under the Perkins Act and the 8 programs under JTPA into two flexible grants to states and localities.
- **Integrated** by encouraging the states and localities to use these funds to build a single school-to-work system that serves all youth.
- **Reformed** along the lines of the principles embodied in the School-to-Work Opportunities Act: integrated academic and vocation education, integrated work-based and classroom-based instruction, intensive private-sector involvement, and linkages between secondary and postsecondary education.

For more information on the President's proposal, contact Camille Johnston at the U.S. Department of Labor, Office of Public Affairs, at (202) 219-8211.


G.I. Bill for America's Workers
School-to-Work Opportunities (DOL/ED)
JTPA Title IIC Disadvantaged Youth
JTPA Title IIC Youth STate Ed Programs
JTPA Title IIC Youth Incentive Grants
JTPA Title IIB - Summer Youth Employment & Training
JTPA Title IIB - Summer Jobs - Native Americans
Youthbuild
Youth Fair Chance
Youth Innovations
8 programs
JTPA Title IIA - Adult Training for the Disadvantaged
JTPA Title IIA - Training Programs for Older Individuals
JTPA Title III/EDWAA (Governors' 50% Discretionary)
JTPA Title III/EDWAA (Secretary's 20% Discretionary)
JTPA Employment and Training Pilots and Demos
JTPA Clean Air Employment Transition Assistance
* Employment Services - Governors' Discretionary Funds
* Employment Services - Wagner Peyser State Grants
JTPA Defense Conversion Adjustment
JTPA Defense Diversification Program
JTPA Title IIA - State Education Grants
JTPA Title IIA - State Incentive Grants
JTPA Title III/EDWAA (SDA Allotment)
Food Stamp Employment and Training
State Postsecondary Review Program
Labor Market Information
* One Stop Career Centers
Women in Apprenticeship
Federal Pell Grant Program
Federal Loan Program (Direct)
Federal Loan Program (Family Ed)
Labor Certification for Alien Workers
Interstate Job Bank
JTPA Employment and Training R&D
American Samoans
Rural CEPS
NOICC (DOL Share)
27 programs
School-to-Work: Second Chance
Adult Workforce System
One Stop/ES
School-to-Work: In School
Adult Education and Literacy
School-to-Work Opportunities (DOL/ED)
Voc Ed - Programs for Criminal Offenders
Voc Ed - Cooperative Demonstration (all Nat'l programs)
Voc Ed - Opportunities for Indian & Hawaiin Natives
Voc Ed - Community Based Organizations
Voc Ed - Demo Centers for Dislocated Workers
Voc Ed - Consumer and Homemaking
Voc Ed - State Councils
Voc Ed - NOICC
Voc Ed - Smith-Hughes Act
Workplace transition training for incarcerated youth
Native Hawaiian Ed. - Community-based Learning Ctrs
Voc Ed - Basic State Programs
Voc Ed - Techprep Education
Voc Ed - Demo for Integration of Voc and Academic Lng
Voc Ed - Ed Programs for Fed Correctional Institutions
Voc Ed - Comprehensive Career Guidance & Counseling
Voc Ed - Blue Ribbon Voc Ed Programs
Voc Ed - Model Prgs. for Regional Training, Skill Trades
Voc Ed - Business/Education/Labor Partnerships
Voc Ed - Tribally Controlled Post-Sec Voc Institutions
Voc Ed - State Programs and Activities
Voc Ed - Single Parent, Homemakers, Pregnant
Voc Ed - Sex Equity
23 programs
Adult Ed-State Administered Basic Grant
National Adult Education Discretionary Program
State Literacy Resource Centers
Nat'l Workplace Literacy Program
Workplace Literacy Partnerships
Adult Education for the Homeless
Literacy Training for Homeless Adults
Literacy for Incarcerated Adults
Literacy Programs for Prisoners
Even Start - State Educational Agency
Even Start - Migrant Foundation
Library Literacy
(Transfer from JTPA Title IIA)
12 programs
* ES will be retained as a separately authorized and funded program to the states, it will be an integral part of the One Stop Career Center System. One Stop implementation grants will be available only through 1999 and School-to-Work grants will be available only through the year 2000

"DECLARATION OF INTENT" EXCERPTED FROM H.R. 511

Introduced on January 13, 1995 By Representative Buck McKeon, Chairman of the House Economic and Educational Opportunities Subcommittee on Postsecondary Education, Training, and Lifelong Learning

....Not later than the adjournment sine die of the 104th Congress, the Congress shall carry out the following:

(1) The Congress shall conduct a thorough evaluation of all Federal workforce preparation and development programs to determine the quality, effectiveness, and efficiency of such programs.

(2) The Congress shall enact legislation that provides for the following:

(A) The elimination of duplication and fragmentation among Federal workforce preparation and development programs through the reform, consolidation, and, where appropriate, elimination of such programs, thus providing States and local communities with streamlined and more flexible funding for the purpose of preparing the future and current workforce.

(B) The transfer of major decision-making authority for the design, governance, and implementation of comprehensive, integrated workforce preparation and development systems to States and local communities.

(C) A vital role for the private sector at the Federal, State, and local levels in the design and implementation of a Federal workforce preparation and development system established in accordance with subparagraph (D), encouraging the utilization of State and local employer-led boards responsible for strategic planning and program oversight of State and local workforce preparation and development systems.

(D) The establishment of a Federal workforce preparation and development system that—

(i) is streamlined and consolidated;

(ii) provides maximum authority and responsibility to States and local communities for the operation of State and local workforce preparation and development programs;

(iii) is accountable;

(iv) stresses private sector partnerships and encourages increased leadership and responsibility on the part of the private sector for investment in workforce training;

(v) is market-driven;

(vi) provides customer choice and easy access to services; and

(vii) reinforces individual responsibility by stressing attachment to employment, and at the same time, encouraging lifelong learning and skills upgrading through a seamless system connecting elementary, secondary, postsecondary, adult, and work-based training and education.

(E) The establishment of a national labor market information system that provides employers, job seekers, students, teachers, training providers, and others with accurate and timely information on the local economy, occupations in demand, earnings, and the skill requirements for such occupations, and information on the performance of service providers in the local community.

(3) Consistent with the legislation enacted in accordance with paragraph (2), the Congress shall provide for the repeal of existing Federal workforce preparation and development programs, as appropriate....

JOINT STATEMENT BY SENATORS KENNEDY & KASSEBAUM
CONSOLIDATING & REFORMING FEDERAL JOB TRAINING PROGRAMS

Excerpted from Congressional Record, June 9, 1994

We believe that immediate action needs to be taken to transform federally-funded job training efforts from a collection of free-standing, categorical programs into a coherent, integrated, accountable work force development system.

- **The system should be based on the needs of job-seekers and employers alike.** Too much activity that takes place within federally-funded job training programs is based on the institutional imperatives of the bureaucracy, rather than serving the needs of job-seekers, workers and employers. We need to create a system that assists individuals to enter the work force, increases their basic skills, improves their technical skills, or retrains them for new jobs according to the needs and demands of employers. We recognize that various hard-to-serve groups may require more assistance that others to succeed in this new system.

- **The system should be readily accessible to any worker, job seeker, or employer.** The system should be understandable to all participants and easy to use. Every individual or business who approaches the system should have information about the full array of services available, and should be able to easily gain entry into the system. The system should assure that job-seekers will receive information, guidance and counseling about all available employment and training services — no matter where they first enter the system.

- **The system should focus on performance.** Performance should be defined by the value added that is achieved (such as long-term job placement) rather than by the number of individuals served. Accurate and up-to-date information on the performance of all programs should be available to all.

- **The system should provide flexibility and responsibility to the states, and in turn to local communities, for design and implementation of job training systems.** States are well-positioned to integrate federally funded job training programs with state education and economic development strategies, and to provide incentives and monitor the performance of local programs. Local officials should, wherever practicable, be given the authority to allocate resources based on the needs of job-seekers and employers alike, and the supply, demand, price and quality of job training services in their areas. The appropriate role for the federal government in the job training system is to provide overall policy direction, articulate the authority and role for each level of government in the new system, provide resources to help execute these policies and establish this system, oversee system-wide performance, and disseminate best practices.

- **The system should be based on local labor market needs which, by necessity, require the active involvement of the private sector.** Private sector businesses, which ultimately provide the jobs, must be included as an integral part of the system at every level. Too often training programs are not connected to available employment opportunities. The system should require the involvement of employers in the choice, design and content of the types of skills and training needed in each local area in order to link training to employment opportunities.

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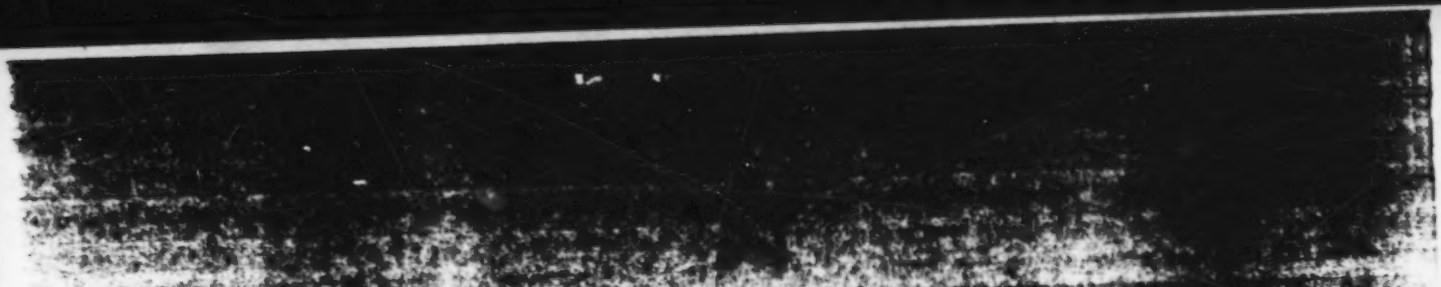

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